

By Mr. BLAND: A bill (H. R. 12305) to extend the jurisdiction of the Coast Guard; to the Committee on Merchant Marine and Fisheries.

By Mr. KING: A bill (H. R. 12306) to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes; to the Committee on the Public Lands.

By Mr. DRISCOLL: A bill (H. R. 12307) to amend section 3 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 14); to the Committee on the Judiciary.

By Mr. GEHRMANN: A bill (H. R. 12308) to enable farmers who are unable to pay emergency seed and feed loans in full when due, to work out the amounts due thereon; to the Committee on Agriculture.

By Mr. WEARIN: A bill (H. R. 12309) to amend the Federal Farm Loan Act, as amended, to provide for an interest rate not in excess of 3 percent in the case of installments payable during the period of 2 years commencing July 1, 1936; to the Committee on Agriculture.

By Mr. WIGGLESWORTH: A bill (H. R. 12310) for the protection of laborers and mechanics on public buildings or public works of the United States; to the Committee on Labor.

By Mr. BUCHANAN: Joint resolution (H. J. Res. 568) to provide an additional appropriation for fees of jurors and witnesses, United States courts, for the fiscal year 1936; to the Committee on Appropriations.

By Mr. McREYNOLDS: Joint resolution (H. J. Res. 569) to authorize an appropriation for the expenses of participation by the United States in a conference at Brussels to revise the Convention for the Protection of Literary and Artistic Works concluded at Bern, September 9, 1886, and revised at Rome June 2, 1928; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY: A bill (H. R. 12311) for the relief of the P. L. Andrews Corporation; to the Committee on War Claims.

By Mr. DITTER: A bill (H. R. 12312) granting a pension to Katherine Myers; to the Committee on Invalid Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 12313) for the relief of James L. Barnett; to the Committee on the Civil Service.

Also, a bill (H. R. 12314) granting an increase of pension to Hannah Gibbs; to the Committee on Invalid Pensions.

By Mr. KRAMER: A bill (H. R. 12315) for the relief of George W. Jeffords; to the Committee on War Claims.

Also, a bill (H. R. 12316) for the relief of Victor Bert Smith; to the Committee on Military Affairs.

By Mr. PATTERSON: A bill (H. R. 12317) granting a pension to Isabel Bennett; to the Committee on Invalid Pensions.

By Mr. SMITH of Washington: A bill (H. R. 12318) for the relief of George T. Heppenstall; to the Committee on Claims.

By Mr. THOM: A bill (H. R. 12319) granting a pension to James A. Lenhart; to the Committee on Invalid Pensions.

By Mr. TONRY: A bill (H. R. 12320) for the relief of Mendel Leibick; to the Committee on Immigration and Naturalization.

By Mr. WERNER: A bill (H. R. 12321) granting an increase of pension to Charles Face; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10729. By Mr. ROGERS of New Hampshire: Petition of the Mayor and Board of Aldermen of the City of Manchester, N. H., requesting and urging that a full-time Weather Bureau station be established in New Hampshire; to the Committee on Merchant Marine and Fisheries.

10730. Also, petition of the Mayor and Board of Aldermen of the City of Manchester, N. H., requesting and urging

that Federal authorities take steps to prevent floods in the Merrimack River watershed; to the Committee on Flood Control.

10731. By Mr. SADOWSKI: Petition of the Yugoslav Workers' Club Oreski, of Detroit, Mich., protesting against the Kramer sedition bill; to the Committee on Military Affairs.

10732. Also, petition of the Yugoslav Workers' Club Oreski, protesting against the Tydings-McCormack disaffection bill; to the Committee on Military Affairs.

10733. Also, petition of the board of directors of the Wayne County Federal Savings & Loan Association, protesting against Senate bill 2914; to the Committee on the Judiciary.

10734. By the SPEAKER: Petition of the Cragin State Bank Depositors Justice Committee; to the Committee on Banking and Currency.

SENATE

THURSDAY, APRIL 16, 1936

(Legislative day of Monday, Feb. 24, 1936)

IMPEACHMENT OF HALSTED L. RITTER

The Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida, met at 12 o'clock meridian for deliberation with closed doors.

At 5 o'clock and 48 minutes p. m. the doors were reopened. Mr. ASHURST. I send to the desk an order, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. BACHMAN in the chair). The clerk will read the order submitted by the Senator from Arizona.

The legislative clerk read as follows:

Ordered, That upon the final vote in the pending impeachment of Halsted L. Ritter each Senator may, within 4 days after the final vote, file his opinion in writing, to be published in the printed proceedings in the case.

The PRESIDING OFFICER. Without objection, the order is agreed to.

Mr. ASHURST. I present another order and ask for its consideration.

The PRESIDING OFFICER. The clerk will read the order.

The legislative clerk read as follows:

Ordered, That upon the final vote in the pending impeachment of Halsted L. Ritter, the Secretary shall read the articles of impeachment separately and successively, and when the reading of each article shall have been concluded the Presiding Officer shall state the question thereon as follows:

"Senators, how say you? Is the respondent, Halsted L. Ritter, guilty or not guilty?"

Thereupon the roll of the Senate shall be called, and each Senator as his name is called, unless excused, shall arise in his place and answer "guilty" or "not guilty."

The PRESIDING OFFICER. Is there objection to the order? The Chair hears none, and the order is agreed to.

Mr. VAN NUYS. I submit an order and ask for its immediate consideration.

The PRESIDING OFFICER. The proposed order will be read.

The legislative clerk read as follows:

Ordered, That the Secretary be, and he is hereby, directed to return to A. L. Rankin, a witness on the part of the United States, the two documents showing the lists of cases, pending and closed, in the law office of said A. L. Rankin, introduced in evidence during the trial of the impeachment of Halsted L. Ritter, United States district judge for the southern district of Florida.

The PRESIDING OFFICER. Without objection, the order is agreed to.

Mr. ASHURST. I submit a further order, and ask for its immediate consideration.

The PRESIDING OFFICER. The order proposed by the Senator from Arizona will be read.

The legislative clerk read as follows:

Ordered, That the Secretary of the Senate be, and he is hereby, directed to return to the clerk of the United States District Court

for the Southern District of Florida and the clerk of the circuit court, Palm Beach County, Fla., sitting in chancery, the original papers filed in said courts which were offered in evidence during the proceedings of the Senate sitting for the trial of the impeachment of Halsted L. Ritter, United States district judge for the southern district of Florida.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the order is agreed to.

Mr. ASHURST. Mr. President, that concludes all the orders requisite to the procedure at this time. I assume the Senate may want to go into legislative session.

Mr. ROBINSON. Let me say that the Senator from Oregon [Mr. McNARY], who left the Chamber a few moments ago, asked that no legislative session be held this evening, and I shall not, therefore, move a legislative session.

NOTICE OF MOTION TO SUSPEND RULE XL

Mr. BYRNES. Mr. President, I ask unanimous consent that, as in legislative session, I be permitted to file notice of a motion to suspend the rule for the consideration of an amendment of House bill 12098, being the appropriation bill for the Departments of State, Justice, Commerce, and Labor.

The PRESIDING OFFICER. Is there objection?

Mr. AUSTIN. Mr. President, reserving the right to object, I inquire if the matter presented by the Senator from South Carolina calls for action this afternoon.

Mr. BYRNES. No; simply under the rule I must file notice of a motion a day previous to the consideration of the appropriation bill.

Mr. AUSTIN. Very well.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and permission to file the notice is granted.

The notice filed by Mr. BYRNES is as follows:

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI, for the purpose of proposing to the bill (H. R. 12098) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1937, and for other purposes, the following amendment, viz:

At the end of the bill insert the following:

"That in passing upon applications made for compensation under the provisions of the item for 'Payment to cotton ginner' contained in title I of the Supplemental Appropriation Act, fiscal year 1936 (Public Law No. 440, 74th Cong.), and in making payments pursuant to such applications, the Secretary of Agriculture is authorized and directed, in the interest of saving as much administrative expense as possible and in order to avoid delay in passing upon such applications, to accept as sufficient proof in connection with any such application, proof of the number of bales ginned by the applicant during the period June 1, 1935, to February 10, 1936, inclusive: *Provided*, That no payment shall be made on any application for such compensation unless the application is filed prior to September 1, 1936."

ADJOURNMENT

Mr. ROBINSON. I move that the Senate, sitting for the trial of the articles of impeachment, stand adjourned until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 55 minutes p. m.) the Senate, sitting for the trial of the articles of impeachment, adjourned, the adjournment being, under the order heretofore entered, until tomorrow, Friday, April 17, 1936, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 16, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in Heaven, we pray that the word of the prophet may be our guide and inspiration: "He hath showed thee, O man, what is good; and what doth Jehovah require of thee but to deal justly and to love mercy and to walk humbly with thy God." In life and in thought let these words be held in all reverence. We pray that Thy will may be our law, our strength, and our influence. Let it be a challenge to our obligation to live a good, wholesome, honest

life. Almighty God, just let this teaching run through our daily conduct, giving it power, purpose, and giving to others the inspiration of a fine example. O burst our bonds and set us free; touch our souls and heal them; speak, and the clashing between our lives and Thine will be no more. As thanksgiving and praise is the language of heaven, we join with the Psalmist: "Oh, praise the Lord, all ye nations; praise Him all ye peoples." In our Savior's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 11327. An act to exempt from taxation receipts from the operation of Olympic Games if donated to the State of California, the city of Los Angeles, and the county of Los Angeles.

MONUMENT SITE COMMEMORATING FIRST ENTRANCE INTO THE CITY OF WASHINGTON OF A STEAM RAILROAD

Mr. LEWIS of Maryland. Mr. Speaker, I rise to propound a unanimous-consent request which concerns House Joint Resolution 362, providing for the selection of a site and the erection thereon of a suitable monument to the first entry of a railroad into the District of Columbia. This joint resolution has been taken off the Consent Calendar on account of repeated objections. The gentlemen who made these objections were under a misapprehension as to the cost involved, it being their thought that the Government would have to bear the expense. This is not a correct view of the situation.

Mr. Speaker, I ask unanimous consent that House Joint Resolution 362, to authorize the selection of a site and the erection thereon of a suitable monument indicating the historical significance of the first entrance into the city of Washington of a steam railroad, and for other purposes, be restored to the Consent Calendar, and when the Consent Calendar is again considered these gentlemen will have an opportunity to explain to the House their motives in making the objections.

The Clerk read the title of the joint resolution.

The SPEAKER. The gentleman from Maryland asks unanimous consent that House Joint Resolution 362 be restored to the Consent Calendar. Is there objection?

Mr. ZIONCHECK. Mr. Speaker, I object.

The SPEAKER. Under the special order for today the Chair recognizes the gentleman from Oklahoma [Mr. MASSINGALE] for 20 minutes.

Mr. MASSINGALE. Mr. Speaker, I am going to devote the time allotted to me this morning in trying to bring to you the feeling that the people of my section of the country entertain in regard to the situation which confronts the Nation at the present time. I share the sentiments that my people have; in fact, I believe as strongly as they do in regard to the matters about which I am going to talk.

Newspaper accounts of prosperity are appearing every morning. These accounts evidently reflect what is happening among the big industries in certain sections of the country. Probably all sections of the country have felt the stimulus given to business by the outpouring of billions of Government money in the nature of aid. Personal observation, visiting among the people, talking with them, and innumerable letters received from them make me bold to assert that things lack much of being what the papers claim they are. The sources of newspaper information are too much localized—car loadings, ship tonnage, and stock markets may be unerring indices for big business transactions, but they fail to sound out the little fellow not engaged in such businesses. His condition, I would say, is some little better but not much. Though his group comprises approximately 100,000,000 of our population, he is not enumerated nor considered in making estimates in our race to outrun and overtake prosperity. Living among that large percent of our unenumerated and having firsthand information of their economic plight and of their mental attitude, I am here to say to you that the newspapers are wrong and our beloved President is wrong in stating that we are all happy because

prosperity is just the same as already here. If the President should go in person to the Midwest farm area, drive the section lines in any direction, take a look into every home he might come to on his journey, look into the faces of the children, talk for a short while with the small-town folks, including the country doctor and school teacher, he would not find it necessary to prolong his journey beyond one day before he would be ready to return to Washington with the determination to kick out of the way the real barrier that makes recovery impossible. When newspapers telling about recovery and return of happy days are read by those people they doubtless think of the advice they got several years ago to go buy at least two new automobiles. If it should be suggested to them that it would be glorious to take their families up to New York for a fortnight at the new Waldorf-Astoria, they would be equally enthused as by reading about their present happiness and prosperity. The time has arrived when the people can no longer be fooled. Congress has the power to wield the ax; it remains to be seen if we have the courage to do the cutting.

Since coming to Congress I have made it my daily routine to attend the sessions. I have failed to respond to but one roll call. My purpose for staying on the floor was to learn what was going on in different parts of America and what was of greatest concern to the people. Naturally, a real recovery from economic woes was uppermost in thought. If I have correctly judged the sentiment of the Members on recovery there is perfect unanimity in the conclusion that the people should have restored to them a purchasing power sufficient to enable them to acquire, and if needful to consume, all the products of industry; that when purchasing power is high and liberally diffused among the people, buying of goods will be brisk; that when this purchasing power is low and confined to a comparatively few people there is a lessening in demand for goods; and that when the demand for goods lessens, production is curtailed and unemployment results. It is important, therefore, that a sane, sensible, and living balance be established between consumer or purchaser and producer. When one of these is throttled down the other cannot regularly function and the machine will jump or run irregularly. Man power has so far exceeded the demands for production that millions are out of employment and the Nation is dissatisfied and unhappy. Many attribute this condition of unemployment largely to invention and use of machinery and equipment that replaces labor. That this does contribute to some extent there is no doubt, for machines are in daily use as evidence of the fact that they are substituting for man power. We may expect further invention of machines to cheapen and expedite production, and there will result a corresponding further unemployment unless there is a reduction in the hours constituting a day's work, these hours to be adjusted to changing conditions due to further labor-saving machines.

Illustrative of the ravages of invention on employment it is estimated that the completion of the Norris Dam, and similar projects, will furnish sufficient power to take the place of the equivalent of all the labor performed by every slave set free by Abraham Lincoln. Science and invention are together apparently making their greatest effort to relieve man from toil. The greatest incentive in the field of endeavor is to do something that adds to man's comfort, happiness, and general welfare, and we may depend upon the genius of America to continue to invent, supply, and use every kind of device that will tend to relieve life of as many burdens as it can suggest. Knowing this, we are bound to admit that unemployment, as we now use the word, is going to increase. Unemployment is a great social problem that projects itself so largely into our economic affairs as to dwarf economy, measured in money terms, and make it subservient to sociology, the science of human society. This means, according to my view, that we are face to face with the fact that America must be more concerned with human welfare as a whole than with giving financial primacy to a comparatively few business tycoons.

The people of this country are, of course, aware of the fact that for years there has been an unequal distribution

of the products of industry, and they are likewise aware that under the present money machinery a few people are reaping all the profiting while many millions are destitute. They realize that that property which is the product of industry is lawful property and that any property which is the product of law is unlawful, and is unfair property, and is a discrimination against all who are not its beneficiaries. They know that when Congress relinquished to the bankers of the country its right to coin money and fix its value it thereby gave the bankers the power of life and death over them. They know that these bankers by a stroke of the pen can raise or lower the prices of their products. They have seen the mere pronouncement of these bankers sweep away every vestige of property that frugal families and good husbandmen have worked for a lifetime to accumulate. Without warrant Congress delegated this right to bankers, and bankers have exercised it. Bankers deal in money, and it is from its interest-bearing qualities and its manipulation that profit comes to them. It ought to be obvious that of all classes they should not be given the right to coin it and to fix its value. In fact, no private person or corporation should be given that right. It is a Government right. There should be no speculative incentive in its issuance. It should be sound and of stable and unchanging value. The bushel, the yardstick, the pound, and other measures do not change. Money, being a measure or standard of value, should not change. Stabilizing the dollar will prevent manipulation, and no agency will be able to precipitate a panic by increasing its value or by causing its value to be lowered to an inflationary point. Changing the value of the dollar has pauperized the common people of this country. With knowledge of such operations, and in the light of present conditions in America, it is but natural that people might be expected to grow restive. The poor people of this country are rich in faith, and they are looking hopefully to this Congress to enact some law that will help them find jobs. They are grateful to our President and to you for public benefactions in the last 3 years, without which they would have died, but they know that with all the billions spent on direct and work relief there is as yet little hope for them, and they are wondering if there is no end to the misery and suffering which they have endured for the past 6 years. Surcease from want of food and clothing, added to the fear that their children may become detached from home influence and cast out as driftwood into an unsympathetic world has perhaps had a marked effect on their mental attitude and recast their entire psychology. I am not surprised that many movements, or thought waves, along lines of relief have originated among the people and that some of them have found fertile soil in their hearts. Such movements may not stand the test of criticism of the leading economists and university professors, but an impoverished and exhausted hope has no time to wait on the support of logic and experience. Remember the old adage that a drowning man will grasp at a straw.

I live among and represent in this House a large number of fine but financially distressed people. They are as loyal to the Government of the United States as is any Member of this Congress. They know they can no longer afford to raise families; they are afraid to embark in such an undertaking. The bitter experience of farm life has transformed them. Many of them see in the Townsend plan a rift in the enveloping clouds of despair. They have read of a plan emanating from Washington to take their young daughters from them and have them trained at Government expense to become domestics, servant girls, and maids for the rich. The Government is to pay these girls \$1 a week for carfare while in training to learn how to carry tea trays at bridge parties. Think of the once proud and honorable American family forced to the dole by an archaic economic set-up and then barbarously drag out of that home what used to be the jewels in it, the little girls, so they may be trained for menial service to the rich! I do not believe that anyone is so bereft of the natural virtues as to think that law-made poverty carries a virus that kills mother love. Have we worshiped at mammon's altar so long that Americans will tolerate a condition

of this sort and vouchsafe its growth and continuance without courage to attempt to correct it? The Members of Congress may prefer further to endure what we have in an economic way, for it is an easy thing for a Congressman to get along. It does not require any effort to have a credit of \$10,000 entered up in his name by the Sergeant at Arms, but this is not the case with but few other Americans. Something, some force, some power, works to starve and impoverish 70,000,000 of the people of our country, and we are either unwilling or unable to grapple with it. Are we going to permit 70,000,000 of our people to continue in poverty and despair or 10,000,000 old people suffer for the bare comforts of life when plenty abounds but not a bite to eat or a garment to wear? Will we see untold millions of our school children go undernourished to school, clad only in rags, sleeping in hovels and faltering in step, simply because no economist has figured out an approved plan for their betterment? Why waste our time in abusing or making an effort to belittle any new thought suggested for the relief of the poor?

Would it not be the wiser course to take an inventory of what we have, and is it not more becoming in the Congress to make a fair and sane and frank approach to the principle of any proposed measure for, or supposedly for, the general welfare? I should think that all differences of economic thought, inherited or acquired, should be dissolved in favor of bringing to our people release from the stark specter of starvation and want. This era of crime and surly unrest and the enforced humiliation that comes from the dole are all due to unemployment. Such problems are haunting us today, and they loom larger perhaps than we want to admit, but they loom nevertheless. The more clearly we permit ourselves to see the better we can do the job.

Why does it become necessary for the economists, and even Members of Congress, to call a man a buzzard or a demagogue or a charlatan or an idiot simply because, forsooth, he may be groping around in the dark hoping to find a way out? It surely is more constructive to point out his error than to unlimber all the batteries of billingsgate against him. Do not mistake the fact that the approaching storm has been seen and heard by every Member in this House. We cannot play the ostrich by sticking our heads in the sand so we may not see the lightning's flash, nor can we become permanently deaf to the thunder's roar by sticking cotton in our ears. Whether right or wrong, millions of people are earnestly asking this body to recognize them for a hearing on their demands for what they regard an adequate social security. I concede that if the demand is recognized there must be an upheaval in our economic program, and this leads to the question: Is not the present economic set-up equal to the task of guaranteeing to our people a fair and equitable division of all the products of industry? Let us see what this system has done, is doing now, and will continue to do, confining the scope of inquiry largely to the past 6 years, thus placing the facts as we find them under 3 years of Republican and 3 years of Democratic rule.

WHAT IS THE STATE OF THE UNION?

The year 1929 was the peak year for all kinds of business. The national income for that year was \$83,000,000,000. This dropped to the low of \$39,400,000,000 in 1932, and in 1934 was \$47,600,000,000. This income represents all money received by all kinds of business in a given year and is the jack-pot out of which must come the distributive part of every person or corporation engaged in business. It is the purchasing power of the people of the United States. From this national income every laborer must get his pay, every merchant must get his pay for goods sold, every farmer must get his pay for his crops and farm produce, and every person must depend upon the size of the income as to whether prices shall be high or low.

If this income is kept big and the distribution of it not unfair, people will be prosperous and there will be no losses. The average yearly loss in purchasing power to our people in every year since 1929 has been \$40,000,000,000. Remember, this is an economic loss, actual and direct. It can never be recovered. It is money gone from us by reason of the operation of our economic system. From 1920 to 1935 values of

farm lands declined \$45,000,000,000. These losses may be recouped if we have the wisdom and courage to enact legislation that will do it. The loss in urban real-estate values during the same time is estimated to be \$30,000,000,000. It is conservative to say that since 1929 the average number of unemployed has been 10,000,000. Allowing them a minimum of \$2 per day, their loss in 1 year would be \$7,200,000,000 and for the 6 years \$43,000,000,000, and this is a permanent loss that had better be forgotten. The only hope for this class, as well as for society, is to provide jobs for those who want to work. There have been other losses due to bank failures, suspension of mercantile firms, and the like that are directly chargeable to our break-down in economics, and staggering amounts have been lost through foreclosures on both city and country real estate. Some writer has made the statement that the loss in money values sustained during this panic is in excess of the cost to the United States of all wars in which this country has been engaged and in excess of all the property damage inflicted by cyclones, floods, earthquakes, and other disasters since the beginning of the Government. In addition to direct losses mentioned, we are facing constantly increasing indirect losses. The John Price Jones Corporation reports show that private philanthropies in 1935 increased 40 percent over 1934. Grace Abbott, the United States delegate to the International Labor Conference, is authority for the statement that between three and four million young men and women graduates of secondary colleges and of universities cannot find work and most of them have never had a job. In addition to that there are 8,000,000 boys and girls between the ages of 19 and 26 who are unemployed, and the list of unemployed in the country is stated to be at this time 12,500,000.

The annual interest bill of the Government of the United States is \$1,000,000,000. The annual tax bill of the Nation is \$12,000,000,000. According to J. Edgar Hoover and his associates, the crime bill in America is \$15,000,000,000 annually. I have not been able to obtain statistics on our cost for caring for the poor in almshouses or supported by private charity, but it is an enormous amount. From February 1932 to July 1936 it is estimated that the Government will have spent in relief \$20,000,000,000, not more than half of which, such as loans to banks and railroads, is subject to repayment. In addition to the above, the annual interest rate on all debts is \$15,000,000,000. This interest, however, is not chargeable to governmental functions and should be attributed to bad business judgment.

HOW DO OUR PEOPLE LIVE?

According to Harry Hopkins there are 21,000,000 people on the dole. There are on the Federal pay rolls 3,000,000; on other Government pay rolls, 6,000,000; on C. C. C. pay rolls, 500,000; on W. P. A. pay rolls, estimated, 3,000,000; those receiving A. A. A. benefits, 15,000,000. Thus we see there are nearly 50,000,000 people drawing salaries from the Government, receiving Government benefits, and on the dole. In addition to this 50,000,000 people there are large numbers of others who are dependent either wholly or in part upon other individuals for a living. Faced with this appalling situation there has sprung up a large group of earnest men and women who are protesting its continuance. They advocate the Townsend plan—the plan embodied in H. R. 7154, known as the McGroarty bill. Its advocates believe they are presenting a proposal for Government finance that will so augment the flow of money as to approach stabilization in prices, and that it will not only bring security to the aged but that it will end unemployment, destroy incentive for crime, and meet the demand of youth for opportunity to work. Though the hands of youth are idle its mind is active, it is irrepressible, it quickly discerns, is impatient at delay, and is not afraid of new thought. I am in favor of joining hands with youth and pulling America out.

CRITICISM OF THE M'GROARTY BILL

Perhaps the most illuminating speech in criticism of the McGroarty bill was made by a distinguished member of the California delegation, Congressman LEA. He states that 70,000,000 people in the United States are wholly or partially dependent on others for support. To illustrate his thought

of the vast amount of money estimated as necessary to be collected each year—\$24,000,000,000—to pay the pensioners under the McGroarty bill, he says if this money should be collected in \$1 bills, and these bills laid end to end they would make a highway around the world 18 feet wide. I am assuming he is correct about the number of dependents in the United States and about the width of the money-covered highway circling the earth. In the one item of loss to Americans by reason of the shrinkage of the National income from the good year 1929 to date we find that that amount is 10 times the amount of money that would be required to pay this pension for 1 year, for we have lost in those 6 years on this item alone \$240,000,000,000. It is not material whether we take 1929 as a basis or not, we may take 1926; and figured from that year the loss per year in the national income due to our economic condition will be near \$40,000,000,000.

This loss of \$240,000,000,000 would make a highway 180 feet wide instead of 18 feet wide, so if we consider this loss alone, Congressman LEA's money-paved highway would look like a sidewalk compared to this loss item. Just the loss in decreased value of farm lands would make this 18-foot highway almost 33 feet wide. If all the losses sustained in the last 6 years, and which must be attributable to the present economic set-up, were paid in \$1 bills, it would require the services of all expert economists on the pay roll of the Liberty League to figure the width of the world-encircling highway that these bills would cover. The saddest part of the Congressman's argument is that we have the 70,000,000 people in distress.

The usual argument made by the economists is that if the McGroarty bill should be enacted into law it would absolutely destroy the bond market in America, and to them that is the ultima Thule beyond which nothing further should or could be said. If the American people were satisfied that they could get rid of the burden that comes from the sale of Government bonds, the people would flock to the Townsend plan or any other plan that would stop such traffic. One of the strange things among the critics is that no one has offered any remedy for the relief of conditions, which means that they are all satisfied with what we have. The fact remains, however, that the poor are getting poorer and the rich are getting richer. Corporations are piling up larger dividends, but the 70,000,000 cannot make a living. Such being the condition confronting us, what message are we to leave to our successors? Do we expect to hand the mess over to our children, and thus confess our incompetency to deal with it? Their future is dark enough with no jobs for 6 years past, and they are poverty choked to the point that such noble sentiments as used to inspire us to higher citizenship are denied them.

I am one who prefers to make an effort to find jobs for 12,500,000 out of work by proving unorthodox to the present system rather than to sit supinely by and let our children become pariahs because I want to be regular and conventional. I know it is more economical to provide the 12,500,000 with jobs than it is to continue to tax the Nation to support its 70,000,000 dependents.

IS IT NOT TIME TO TRY SOMETHING ELSE?

It must be borne in mind that while the amount of the national income declined per year in the enormous sums above shown, there has been a corresponding increase in the amount of this income that has gone to people engaged in distributing it. Stuart Chase—Government in Business—says that in 1917 people got \$1 for making or producing goods and dealers and other overhead people got \$1 for distributing goods to the consumer; that in 1932 for every dollar the producer received, people in overhead positions received \$2.30; and the distributing class now get about twice as much for their services as the producer gets. The same system permits 500 rich men to have an income in one year of better than \$1,000,000,000, an average of \$2,000,000 each, while the average per-capita farm income is \$273, and the average per-capita income of the rest of the population is \$908.

The system under which we are operating shows that the net farm income shrank \$3,500,000,000 from 1919 to 1929, while the incomes to other occupations rose in the same

period \$20,000,000,000. The shrinkage in farm incomes doubtless contributed to some extent to swelling the incomes of those engaged in other occupations. It is evidence of the fact that some manipulation is being done.

It may be good economy to disregard the 130,000,000 and to think in terms of the 500 rich, but I do not think so. Someone has said:

A state can be laid low just as effectively by wrong ideas as by an invading army; and there is no agency of destruction known to chemists that is half as formidable as the TNT of bad economics.

If, as suggested by some of the economists, the McGroarty bill would operate as an entering wedge to destroy the power of the money manipulators, it certainly would not serve a bad purpose, for the coinage and value fixing of money is essentially and positively a constitutional legislative grant to Congress, and is not a power conferred on bankers.

CARE FOR THE DISTRESSED IS A GREATER OBLIGATION THAN BALANCING THE BUDGET

As things now stand, the only method of taking care of the distressed people is by appropriation of public money, because they cannot get work. The President is in sympathy with our distressed, and on his initiative billions of dollars have been poured out for their relief. Attempts have been made to thwart his efforts in this direction by the big business interests of the country. About a year ago, from White Sulphur Springs, they sent him this significant note:

It is folly to continue relief so extravagant that it undermines the morale of those who receive it.

This was accompanied with a threat that if their views were not heeded they would desert him, and many of them have said an affectionate good-bye to him. In the Washington Herald of March 26, 1936, Big Business issued a statement saying that so long as the New Deal places social reform ahead of recovery it will continue to refuse to allow from fifty to eighty billion dollars of money under its control to be used by industry for reemployment. This is a challenge from the cold-blooded and heartless money-control crowd to the President of the United States daring him to further try to help the distressed, and a warning that any program or formula must first be approved by Big Business. It means that the destitute must be left to suffer and that the President must give his immediate attention to business. There is no doubt that the President is going to further carry on with his policy of bringing them relief, but every Member of Congress, and in fact all people, must be aware of the fact that this policy of making appropriations for the support of our people cannot go on indefinitely.

All of us are proud of our Nation, which is the greatest, the richest, and the most powerful in resources of farm and factory on earth, and until a few years ago was a land of almost unlimited opportunity. The load of favoritism we have carried has told on our good nature and we are not happy and cheerful like we used to be. Well might we ponder on the very recent observation of the new King of England. In Glasgow, a few days ago, after inspecting the new big and costly ship, the *Queen Mary*, he visited among the poor of that city. He found them living in miserable surroundings with scant food and clothing, and with undernourished and anemic children. He was so impressed with the contrast that he asked one of his officers how they could reconcile the building of such a ship in the midst of such surroundings, and stated in effect that the British Empire could not be expected to go forward until the condition of her wretched poor was first corrected.

I am wondering if we in this country are going to blindly follow in the way we have gone, or do we have the courage to do as the King of England did, take a look into the homes of our poor. True, what is revealed to us may not make any impression, for we seem to be wedded to the past and inclined to follow the advice of the few rugged individualists who seem to dictate to America. However, we should not forget that only 3 years ago these rugged ones were themselves suppliants for Government aid and assistance. They have become haughty since they got theirs. Congressman AMLIE [Wisconsin] very cleverly expressed the situation of relief clients

by saying the only difference between the big boys and the little fellows was that the big boys were invited in at the front door of the Treasury and told to help themselves, while the little fellows were ordered to stand in line at the relief stations and wait for theirs. I am sure that no man, economist, or Congressman, may be able to prophesy just what a reversal of our economic program might bring about. The Townsend plan may be a phantasy and the delirium of the people may not be of long duration, but we must remember that the unfortunate condition of our Nation will justify most any imaginable proposal for betterment. There is assuredly nothing in our present economic condition, as revealed by the above statistical facts, that would tend to make us feel satisfied with what we have.

There is something in the proposal made by Dr. Townsend that appeals with a religious fervor to its many adherents. If the plan is as wild and impractical and as visionary as most economists assert, then the only excuse for the extent of its almost universal appeal must lie in the conscious knowledge of the people that the present economic program has failed this Nation and has left them without jobs, without money, without food, without clothing, and without anything except a fast fading hope that Congress may act favorably in their behalf. If a Congressman regards the plan as unworkable, he at least must take it as such a tremendous protest against economic conditions as to cause him to want to make a very careful inventory of the state of the Union. The people who elect us are of far greater value to this Nation than we are. Some make the statement that further and protracted continuance of our present money set-up will lead to revolution. I do not believe that, for there is no need of revolution where we have an honest exercise of the ballot. True the economists threaten revolution by the big taxpayers if the Townsend plan of taxation should be imposed upon them. These economists must be in error. I cannot believe the big taxpayers are about to revolt the Government of the United States. The last account I saw about their activities was a full newspaper column of very distinguished names in American finance who had given away, or pretended that they had given away, billions of dollars worth of their stocks and bonds to escape paying their part of the tax authorized by this Congress for operation of the security bill. This is a revolution of a modern American turn. These revolvers start on a run for the tall timbers. The only danger from them is that they may permanently hide out from the Government and no taxes be collected from them. The economists must have meant that the big shots are going to retreat instead of revolt. In nearly every attack made on the Townsend plan the economists were uneasy lest our big taxpayers should be driven to lying and tax dodging to escape their part of the burden. Had they read the papers of less than 2 months ago this fear of theirs would have been allayed, for the big ones were publishing to the world that they had already been dodging taxes. This probably was done in order that the prophecy of the economists might be fulfilled.

The Townsend plan contains several noteworthy thoughts that may mean restoration to America: (1) The primary duty of Congress to provide an adequate pension for the aged, regardless of State participation; (2) the pension to be in the nature of an annuity insurance removing its beneficiaries from the competitive field of labor and making more room for the expansion of the ambitions of youth; (3) a proposal for increasing the volume of credit by use of more money. The mechanics of the bill embodying the plan are for Congress to make. If I could amend the bill, I would entirely eliminate the provision imposing any tax on the laborer's wage, make the tax inoperative on any transaction of less than \$500, and increase the tax on gifts and inheritance.

As it now is expressed in the McGroarty bill I shall support it, for in it is a leaven of hope. There is no hope for the common man or his family in the present money economics of the country. If the plan becomes law, it is sure to take some millions from the ranks of the unemployed. It surely cannot exact in taxes and cost any more than is now being filched from the people. It will help to deplete the dole; for if 10,000,000 of our old are going to get the

benefits of a pension, it must be admitted that a large percent of these are on the dole. If sociologists had not all gone awry in former days, and are not now cockeyed, it will materially cut the annual \$15,000,000,000 crime cost; for they have been and now are in agreement on the statement that unemployment or idleness is the breeding ground of crime. Work to do and ability to obtain bread and meat and other essentials of ordinary living will largely destroy crime incentive.

Mr. Speaker, there is no doubt in your mind that every Member who has the honor of serving under you loves America. Each of us has, perhaps, just a little different slant on economics, and while trying for the same goal we feel justified in holding to honest conviction. In this crisis—for it is a great crisis—it seems meet to me that we implore the highest source of wisdom and strength that we may have the will and the courage to do that thing which will abolish such shameful poverty and such unnecessary distress from the confines of our beloved country. Personally, the joy and thrill that should come to me by virtue of citizenship is drowned by the voices of children crying for bread and by the sight of our pitiable old. Membership in this honorable body will be a reproach to all of us if we fail to respond to the unmistakable summons of the great body of our citizenship. There is no proffered plan that will help to break away from the thralldom of the power that enslaves us except the plan embraced in the McGroarty bill. If the plan should prove so utterly fantastic, ridiculous, and unworkable as its critics claim, there would be nothing to prevent Congress from repealing it, for my observation is that only those laws benefitting the powerful are difficult to repeal. The people are tired of favoritism. They want laws that will restore equality of opportunity. They want their just part of what they produce. Congress can make the McGroarty bill respond to the demand of the people. The basic principles upon which to build a decent old-age-pension law are in this bill. The tax rate and method of taxation are subjects for Congress to determine. Half of the unemployed of the entire world are living in the United States. I fear we cannot long continue to pay the price.

FAILURE OF RELIEF AND UNEMPLOYMENT PROGRAM

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address delivered by my colleague [Mr. ARENDS] over WJBC, on April 12.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered over the radio by Hon. L. C. ARENDS, of Illinois, on April 12, 1936:

To my friends and listeners I wish to review to some extent, if I may, the condition of our country as I now view it, with its acute manifold problems directly before our eyes. The two foremost questions, confronting us 3 years ago, still remain unsolved, namely, relief and unemployment. Does it surprise you to know that even within the last 14 months we have not gained a foot in the solution of relief; if anything, we have lost ground? According to the American Federation of Labor, in figures released in January 1936, we now have over 20,000,000 people on relief and 12,600,000 unemployed. That means 1,229,000 more unemployed now than in January 1935. You might well ask, Why such results when we are literally spending billions to alleviate this condition? The question might also be asked, Did the present administration attack this problem from the wrong angle? My answer to that is "yes." In the first place, you cannot spend your way into prosperity. You should remember that "the greatest danger of bad times is bad remedies and bad laws." Money properly directed and spent for useful and permanent good might have kept us from the chaos we still find confronting us.

It is hard to expect beneficial results from using money as follows:

There has been allocated \$25,000 of W. P. A. money to build a dog pound in Memphis, Tenn. The artist's sketch of this project shows us that the dogs will have individual pens, with fresh bedding every day, exercise and runways, shower baths, and every other imaginable comfort of home, which reminds us of the poem on the dog house we noticed the other day, starting like this:

Fido, what a break for you,
Under the red, white, and blue.
No more days of storm and strife;
Yours the more abundant life.

Another startling example of unexcusable waste of money is the Passamaquoddy project in Maine. There the administration (because Maine votes early, and as Maine goes so goes the Nation) wants to spend \$36,000,000 in the construction of a dam to impound the tidal waters in the bay, so its ebb and flow may be used to create hydroelectric power. Foremost engineers in the country all agree that the plan is not feasible in that the cost of the dam would make the cost of the power so created prohibitive for commercial use. It is interesting to note the present work carried on there in the building of settlement houses for relief workers. Recently the Government advertised for bids to furnish these homes. The furnishings are to be in colonial style. They must be of dull, old-fashioned maple, and the all-wool blankets on the beds must be pastel green in color, with a wide taffeta binding. In each reception room there must be two grandfather clocks that strike chimes on the quarter, half, and on the hour. Love seats, davenports, coffee and card tables must be in colonial style. Floor lamps must match. As a public servant and charged with a responsibility as to how the taxpayers' money is spent, I feel that I would be untrue to the trust you have imposed in me if I did not raise my voice in protest to such a program.

Another instance worthy of note is the Florida ship canal, 200 miles long from the east to west coast, originally started by the President as a relief measure by the allotment of \$5,000,000. Later \$400,000 more of relief money was used in furthering the work. All this without asking Congress that they study the matter and come to some decision thereon. Now, your Government is being asked to foot the bill at a cost of \$200,000,000. Happily, both the Senate and House of Representatives as of recent date have turned thumbs down on this scheme. What future action will take place remains to be seen.

So we go on and on, recklessly and extravagantly wasting money and not getting anywhere. Whose money is it? Not your Uncle Sam's, for he does not have any money. Listen, friends, it is your money and mine. Recently someone told me that only about 1 percent of the people either knew or cared to know more about this Government of ours. I trust that statement is incorrect. The time is here when we as good citizens must take an active interest in our Government and what it is doing.

It may shock you to know that your Government 3 years ago had a debt of approximately \$20,000,000,000; today it is near thirty-one billion, and may reach thirty-six billion at the close of this year, with a possible \$40,000,000,000 deficit in sight by the end of next year. Some folks say, "What of it; we can stand such a debt", thinking, of course, that the so-called rich will have to pay the bill. That fallacy must be corrected, for just as sure as day follows the dawn the plain, everyday, average American citizen is the one who must eventually pay the price. Not only that, but your children and your children's children will be called on to help carry this burden. And speaking of children, how are these youngsters ever to help pay the burden of these heavy taxes unless they are able to find steady, good-paying positions? From a recent survey made in this country I read that we now have approximately 8,000,000 boys and girls between the ages of 17 and 24 who are unable to find work of any kind. I cannot swear to the accuracy of that statement; but, assuming it to be fairly authentic, I ask you, What are we going to do about the youth of today who tomorrow must rise to their place of responsibility and carry on where the older folk leave off? They will carry on if we give them a chance. But we must refrain from placing millstone after millstone around their necks, in the form of taxes and huge deficits, which tends to hinder the return of confidence and prosperity, which return alone can make possible the employment of these young folks.

You will be surprised to learn that, while you may not think you are paying anything in taxes, let me impress this thought indelibly upon your mind: It is estimated that the average American family pays an annual indirect tax of \$400 which he at the moment does not see or feel. This indirect or hidden tax will, of course, increase as long as the administration continues to spend \$2 for every dollar it takes in. Taking into consideration all taxes, we are paying out as taxes 20 to 25 cents of every dollar we earn. In other words, our income for 2½ months every year now goes to support our Government and its policies—a fairly high cost of both time and money, don't you think?

Why is it necessary to spend so much money? One reason is that the greatest bureaucracy ever known in the history of our country is being built up in Washington. In the last 3 years over 100 governmental agencies have been created. More than 252,000 employees have been added to your Government pay roll at an added annual cost of \$500,000,000. To house these newly created agencies the Government pays an annual rental of over \$21,000,000—this notwithstanding the fact that many new Government buildings have been erected out of P. W. A. funds for which no rent is charged. The merit system in Government service has been discarded to a large extent. At the close of the previous administration 80 percent of Government employees were under civil service. The figure today would astound you. All of which makes for decreased efficiency with an attendant increased cost to the taxpayer.

So I restate that today we still find ourselves confronted with the same problems that were with us in 1932, many of them not solved and some more serious than before the so-called New Deal became effective. With unemployment and relief costs mounting, we can come to but one conclusion—that, regardless of the often repeated plea for the forgotten man, the following out of the planned-economy and utopian experiments of the feverish minds

of the "brain trust", we find the rich getting richer and the poor getting poorer.

We oftentimes criticize, which is supposed to be our right as free-born American citizens. The few brief examples of what is going on, and there are many more that I could give, if time permitted, are given with the sincere hope that in my calling your attention to them I would be doing you a service. I want to approach our many problems from the viewpoint of an interested American citizen rather than from a political angle. I firmly believe that we should get back to earth and to the faith of our fathers. Hard work and self-denial will be necessary, but it can and will be done. As a Republican candidate for Congress, I think the best interests of our country dictate that we balance our Budget, that we encourage private enterprises, rigid government economies must be initiated, useless bureaus and commissions must be abolished, development of new domestic uses for our surplus farm products, establishment of a coordinated land policy, not spending millions bringing arid lands into production until we have an absolute need for it, adequate tariff protection of all our products, the development of foreign markets, proper enforcement of our antitrust laws, and the return to local supervision of our relief problems. I have told you some of the remedies I would propose, I wonder what you have to suggest. It is your problem as well as mine.

To the Republican Party let me say this: The Democratic Party, at bat, has hit the ball. It is up to us to catch this ball for the third and final out. We dare not fail. We dare not go back to where we left off in 1932. We must start fresh from here and should develop a new leadership if we are to succeed in a time like this. We all want to see ample relief available where honestly needed, but we must take politics out of relief and move forward under the American system of free enterprise, free thought, free speech, and free press, remaining steadfast to the principles laid down in our Constitution, that ours is a government by law, not men.

It is remembered that Professor Tugwell, brain truster no. 1, has written "I shall roll up my sleeves and make America over." I for one am not willing to entrust that sacred and all-important duty to him. This afternoon, I ask you, who wants it made over? I think we have the best nation on the face of the globe and am willing to live in it a little while longer with a sense of security in my person and property, and feel that with the leadership and management of honest, clear-thinking, common-sense Americans, whose motives are actuated by love of country and not party, that we can continue to say ours is the best system of government ever devised by the mind of man. Our people are tired of the trial and error system of government. They find that there is no short cut to normal times. We are not yet doomed to go over the dam, but we must act before it is too late. I have unbounding faith in the good judgement of our people and I am sure that when once awakened and they come face to face with the dangers and pitfalls with which we are now confronted that they will take a hand to see to it that their Government is managed by the right and proper officials, and that the waste, destruction, and utter disregard of the rights of others, the setting of class against class and mass against mass, the usurpation of power, and the using of human suffering for personal or party gain has no place in our American system of government.

LAYING CORNERSTONE, DEPARTMENT OF INTERIOR BUILDING, APRIL 16, 1936, WITH ADDRESSES OF PRESIDENT ROOSEVELT, SECRETARY ICKES, AND MR. DELANO

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein the order of exercises this morning in placing the cornerstone of the Department of the Interior Building, including an address delivered by the President and one also delivered by the Secretary of the Interior, Mr. Ickes.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAVERICK. Mr. Speaker, this morning I attended the ceremony of the laying of the cornerstone, Department of the Interior Building, here in Washington, this April 16. It was a colorful proceeding, attended by President Roosevelt; Secretary Ickes; the Honorable Frederic A. Delano, Chairman of the National Resources Committee; most of the diplomatic staff in Washington; Government officials. Among the Representatives present was the distinguished assistant leader of the majority, Hon. EDWARD T. TAYLOR, of Colorado, father of the Taylor Grazing Act, and many other Members of both branches of Congress. There were seats inside an enclosure near the building where the ceremony was held, and sitting close to the front were a group of Hopi Indians, and high above the cornerstone of the building was a balcony of stone, where the Marine Band, under the leadership of Capt. Taylor Branson, played several pieces of beautiful music. They made a striking picture in their brilliant red uniforms. As the President approached, the Marine Band gave four flourishes and ruffles with trumpets and drums,

and then, as the President took his seat, the band played Hail to the Chief and the Franklin D. Roosevelt March.

The weather was perfect and somewhat cool, and the sky was blue and clear. The President looked healthier than at any time since his inauguration, with a full sun tan gotten on his vacation in southern waters. Gus Gennerich, his guard and friend, was with him, and the President sat while Mr. Delano and Mr. Ickes spoke.

Thereafter, as the President concluded his address, the band played The Star-Spangled Banner, and high on the top of the building I saw a member of the Washington police force, who stood silhouetted against the sky at right-hand salute. It made a striking picture.

This building is one of the finest examples of modern architecture. The architect is Hon. Waddy Wood, a resident of the District, and formerly of Charlottesville, Va. It is one of the greatest buildings ever erected in America, and is about the first big building erected in Washington by anyone who came from south of the Mason and Dixon's line.

The program was as follows:

TROWEL USED

The trowel used in this ceremony was used by President Washington in laying the cornerstone of the United States Capitol on September 18, 1793. It was loaned by courtesy of Alexandria-Washington Lodge, No. 22, A. F. and A. M., of Virginia.

ORDER OF EXERCISES

Music, United States Marine Band.
Invocation, Rev. Dr. Joseph R. Sizoo.
Introductory remarks, Hon. Frederic A. Delano, Chairman, National Capital Park and Planning Commission. (See I.)
Address, Hon. Harold L. Ickes, Secretary of the Interior. (See II.)
Music, United States Marine Band.
Address, the President of the United States. (See III.)

PLACING OF THE STONE BY THE PRESIDENT OF THE UNITED STATES

The national anthem, United States Marine Band.
Benediction, Rt. Rev. Patrick J. McCormick, acting rector, the Catholic University of America.
Music, United States Marine Band.

MUSICAL PROGRAM—MARINE BAND

The musical program, from 10:30 to 11, presented by the Marine Band, under Capt. Taylor Branson, was as follows:

American Patrol, Bagley.
Favorites, Victor Herbert.
Song of the Marching Men, Hadley.
Grand march, Pomp and Circumstance, Elgar.
Mine Own United States, Edwards.
Hail to the Spirit of Liberty, Sousa.

INVOCATION BY REV. JOSEPH R. SIZOO

Invocation pronounced by Rev. Joseph R. Sizoo, D. D., pastor of the New York Avenue Presbyterian Church, was as follows:

Everlasting, ever-living God, who hath set Thy glory upon this day, in whom our fathers trusted and were not put to shame, we thank Thee that in times of crises, when the resources of men shrivel, the resources of God unfold. Hold our faces with ever-increasing purpose to the assurance that that nation alone is great whose God is the Lord. Hallow with Thy presence what we do here this day. May this building bear witness to an ever-increasing concern of the Nation for its people and an ever-enlarging service of Government to its citizens.

May Thy grace rest upon all who labor here. Prosper them in their undertaking; preserve them by Thy providence unto the end of their work. Shield them from danger and accident. May all who begin the task rejoice at last in the fulfillment of their purposes.

God bless our country. Give us to know that Thy love falls across the busy tideways of our lives. Grant to all who lead the Nation toward the more abundant living the vision of One whose hand no panic can shorten, whose light no darkness can dim.

And unto Thy illimitable love, Father, Son, and Holy Ghost, shall we give all the praise, world without end. Amen.

I

ADDRESS BY HON. FREDERIC A. DELANO

Hon. Frederic A. Delano, Chairman of the National Capital Park and Planning Commission, spoke as follows:

It should go without saying that I feel greatly honored at presiding at this meeting on the occasion of laying the cornerstone of the new Interior Department Building. However, I must admit that I have had only a very small part in a very big project, and yet I am glad to record my interest in it. My contact with the project was all in its initial stages when the Secretary of the Interior asked me as Chairman of the Park and Planning Commission to suggest a suitable site for a building of large capacity. A number of sites were investigated and the site chosen, occupying two

city blocks between Eighteenth and Nineteenth Streets, was recommended. It was recommended, first, because there are not many sites where two large city blocks can be found where an intervening street could be abandoned. Secondly, the site was located in a rectangle where it will become an important element in a larger composition, and where it will for all time have ample light, air, and open space about it.

I claim no credit for the architecture of this building—that credit goes to the architect. However, it was with the Secretary's permission that I was able to secure from Mr. Waddy B. Wood preliminary drawings and estimates showing the type of building which would be advantageous in this location; and on the strength of these preliminary sketches, Mr. Wood was designated as the architect for the building, and details of the plan were worked out by him in conjunction with the staff of the Procurement Division of the Treasury Department.

One feature of the plan to which I would particularly call attention is the economy and efficiency of the plan as a whole. Whereas it has been the custom of Government buildings in the past to occupy the entire area with large interior courts, I fully concurred with Mr. Wood's idea that the building should have no closed courts. As now being constructed, the building has no interior courts—no office above the ground floor which does not have light, sun, and air, and, in many cases, a fine view. By this type of construction Mr. Wood has secured many other incidental economies. In passing, I may say that I know an important Government building not so far from here occupying only one city block which frequently requires one to walk two and three city blocks to call on another office, whereas in Mr. Wood's plan the maximum distance from one office to another will average far less in proportion to its size. This is brought about by a central main corridor which enables every office to be reached with the minimum distance. Furthermore, this central-corridor plan takes care of the elevators in the most economical way, so that I venture to predict that an efficient elevator service will be secured with the minimum of expense.

I would not like to give the impression here that I am indifferent to the appearance of Government buildings. I have many friends among the architects, and I am an admirer of good architecture, but I am quite hostile to those architects who design buildings with little regard to the requirements of the building or the functions it is to perform.

Not long ago I had occasion to visit a very beautiful hotel in Florida built in the Spanish style of architecture. I have rarely seen a more beautiful building, but the manager of the hotel told me that after encountering heavy deficits in operation, it had been necessary to spend a large sum of money in rearranging the facilities so that breakfast could be served in the rooms of guests without excessive delays, rehandling costs, and expenses. There are ample data in the possession of the Bureau of Public Buildings to illustrate the great disparity that there is between the cost of operating and maintaining our great public buildings. Those, for example, having excessive height of ceilings are far more expensive to maintain and keep clean than buildings of moderate heights. That is one of the reasons why the ordinary commercial office buildings are often far more economical to operate and maintain than the more monumental buildings built by the Government; and while I would not like to see the Government lower its standards to those of most commercial office buildings, there is at least a golden mean between the extremes one finds. As the matter stands, I do not hesitate to say that this building will be a notable advance in Federal office-building design, and while it will maintain the standards of architecture for which Washington is so renowned, it will also prove to be in every sense a practical building, reasonable in cost, considering what it furnishes, and economical both in operation and in maintenance.

[Applause.]

II

ADDRESS BY HON. HAROLD L. ICKES, SECRETARY OF INTERIOR

Hon. Harold L. Ickes, Secretary of the Interior and Administrator of Public Works, spoke as follows:

The Treasury Department in 1849 came to feel that, with its other heavy duties, it could no longer administer the vast public domain that still constituted, so far as national revenues and acreage went, the richest part of the United States. So the Department of the Interior came into being. The chief function of this newest of the departments was to administer the public domain, and implicit in the mandate to do this was the obligation to see to it that new lands should be taken up by settlers as soon as possible and the resources of the public domain minted into the coin of the realm at a rapid rate.

ICKES RECITES HISTORY OF WANTON DESTRUCTION OF RESOURCES

Frankly, the Department of the Interior was set up—to use language with which today we are so familiar—to be the “exploiting” Department of the Government. If anyone sounded a note of caution as to the rate at which exploitation was to take place; if anyone expressed a belief in the principle of conservation of our natural resources, his voice was not heard above the general refrain. We were still a race of eager, restless, pushing pioneers. A land-hungry people to begin with, our appetite for land grew on what it fed upon. Only in the rarest instances did it ever occur to anyone to attempt to abate this consuming hunger. Nor was this surprising. So far as our ancestors could see, there never could be any question that there would be enough land to

go around; the only problem was what we could do with all that we had.

We saw the vast domain that stretched ever westward, not only limitless wealth for America but the means of adding to our human resources so as to make the United States at the same time the richest and most powerful nation in the world. We encouraged the settlement of these lands by soldiers who had fought in our wars, by immigrants from foreign lands, and by farmers from farther east who were looking for new lands in place of those the fertility of which had become exhausted as a result of their careless husbandry.

It might be said that the Department of the Interior was the sales agency of a Government so rich in lands and natural resources that it was willing to sell them for only a fraction of their real value, willing to give them away on the slightest pretext, willing even to close its eyes in order that it might not see that some of the most rugged of our rugged individualists were literally stealing large sections of the rich heritage of the American people.

The confession that I am making is not a pleasant one for one who holds the views that I do on the subject of conservation, and yet it seems fitting that frank statement should be made in order that we may understand the record and thereby chart the course for a more statesmanlike policy for the future.

When the conscience of the country began to appraise through slowly opening eyes the wanton destruction, the insistent exploitation of the natural riches with which God had endowed this country, we began to look about, in true American fashion, for a victim who could be held up to contempt and scorn for that exploitation. The Department of the Interior supplied the need, and citizens came to criticize its policies without comprehending the reason for or the origin of those policies.

Even today self-righteous critics, some of them with an ulterior purpose, insist that the Department of the Interior cannot be entrusted with any of the natural resources of America because of the national policy in the past, and particularly because of the misdeeds of one or two men.

CONGRESS GUIDES POLICY OF DEPARTMENT

After all, it was the Congress that guided the policy of this Department and enacted the laws to which it must conform. It was the Congress that decreed how and when and in what manner the public domain should be exploited. Nor should all the blame rest upon Congress, for it was but carrying out the will of the sovereign people. So far as I know, that great President, John Quincy Adams, whose luster as a statesman will grow in brightness as people come to study his career and thus to form a more just appraisal of his unusual qualities, was the only national leader until comparatively recent times who, as the result of quiet, detached, far-visioned thinking, evolved a policy which, if it had been adopted by the Nation, would probably have meant less flush wealth for present easy dissipation, but more solid, more enduring, and, in the aggregate, greater wealth for the people as a whole in the long run.

Accepting the fact, as the record clearly establishes, that the Department of the Interior was created in the beginning to exploit the resources of America, what is the most effective step that can be taken to put an end to a policy that has become suicidal? The answer is plain. Let the Congress decree a final end to the era of reckless exploitation and announce adherence to the policy of conservation of our national resources which, as I understand conservation, means the prudent use of those resources. And as an effective means of declaring this change of policy so that all may clearly understand it, let the Congress enact the bill that is now pending, changing the name of this Department to that of Department of Conservation.

The mere passage of this bill would be declaratory of the intention of the United States Government henceforth to go forward with a policy of conservation of our natural resources. It stands to reason that until we consciously and deliberately, with our eyes on the future, make some such affirmative declaration the stupid waste of those resources will continue.

WE NEED ORDERLY AND LOGICAL ARRANGEMENT OF CONSERVATION ACTIVITIES

From the point of view of the future, I can see nothing more worth while that America could do at this time than to charge a great department of the Government with responsibility for such development and use of our natural resources as is consistent with their preservation for the benefit and continued use of future generations. Not only should there be such a declaration of purpose, there should also be an orderly and logical arrangement of conservation activities. There is grave doubt in my mind that conservation will ever become the major policy of government that it should be until some such action is taken.

If I were one of those interested in the continued exploitation of our comparatively few remaining riches of mine and forest and stream and public domain I would resist with all my might any mandate by Congress that conservation should be made a principal function of government under the charge of a responsible Cabinet officer. I would be satisfied with the irresponsible policy of division and spoliation that has prevailed in the past. I would want activities relating to conservation to remain scattered. I would encourage the misunderstandings, the jealousies, the overlappings, and the wasteful expenditures of public funds that have grown up in the past and which were the inheritance of this administration. We conservatives are like a posse comitatus, following each other with fitful lanterns while the thief that we were sent out to apprehend slips away to safety.

THEODORE ROOSEVELT HINTED NEW NATIONAL POLICY

We in the Department know that a definite stop to ill-advised exploitation has been too long deferred. The first faint flickering of a belief that perhaps after all we had not been altogether wise in putting all of our natural resources on the table and yelling in a voice that could be heard around the world, "Come and get it", began to manifest itself somewhat less than two generations ago. Theodore Roosevelt hinted that a new national policy might be necessary, and while it was only a hint it expressed a sentiment much more advanced than the current one of the period. As a matter of fact, opinion favoring the prudent management of our natural resources was almost nonexistent. There were still forests to be fed into the sawmills; there was still a public domain to be destroyed by overgrazing; there was still oil for flush production while billions of cubic feet of natural gas were allowed to be wasted into the air; there were still rivers and lesser streams to be polluted by the effluent from our sewers and by the refuse from our mills and factories; there were still apparently countless game birds and wildlife with which to fill the bags of the game hogs; there was still arable land to be homesteaded, to have its soil fertility exhausted and then to be deserted.

Notwithstanding the widespread hunger for more land and selfish greediness for more wealth at whatever cost to the Nation, there grew into a steady blaze the spark that was struck by the flint of far-seeing statesmanship in the hand of Theodore Roosevelt from the tinder of hard fact that the way we were headed led toward the eventual impoverishment of our people. More and more people began to recognize the wisdom and the foresight of the early conservationists who had firmly stood their ground, despite the ridicule and contumely that were heaped upon them. The new cause gained friends not only among the rank and file of the people but among the statesmen of the Nation, until it came to pass that the principle of conservation began to find expression in the platforms of political parties.

I am afraid, however, that in many instances this was merely lip service. There has been observed no concentrated effort, resulting from a burning zeal for conservation, to make it, as it should have been made long ago, a major policy of our Government. We have done quite a lot of wishful thinking about conservation, but so far active foes from without and muddle-headed friends within the ranks have formed an unnatural but powerful opposition that has been of benefit only to the exploiter.

DEPARTMENT OF CONSERVATION

Yet it is heartening that the sentiment to prevent further waste is growing and there is reason to hope that before a great while the Congress will respond to that sentiment by setting up a department of conservation and thus reverse the policy of exploitation that has existed heretofore. More and more the real statesmen of the country have come to believe in the preservation of what is left of the natural wealth of America. Nothing could be more encouraging than to realize that the present Chief Executive of the Nation not only believes as ardently as any conservationist could possibly believe in this theory, he himself has actually practiced conservation. He has practiced it on his own extensive farm lands in New York State. As a member of the New York State Senate he was one of the leaders in the fight for conservation legislation. As Assistant Secretary of the Navy he helped to protect and preserve the naval oil reserves. He made it a major policy as Governor of the State of New York. During his administration of the affairs of that State he did more for conservation than had all of his predecessors combined.

Naturally when he came to Washington as President he brought with him his belief in the principle of conservation. As a result, more has been done during the slightly more than 3 years of the present administration in the direction of preserving and rebuilding the natural resources of America than has been done in any comparable time in our history. As a matter of fact, I am well within the bounds in saying that more has been done under this administration in this regard than during all preceding administrations.

EIGHTY MILLION ACRES PUBLIC DOMAIN; SOIL CONSERVATION SERVICE

Vast additions have been made to the areas of the national forests. New reclamation districts have been organized and additional water provided for others already in existence. Under the Taylor grazing law signed by President Roosevelt, 80,000,000 acres of the public domain that are useful chiefly for grazing have been set up into grazing districts under Federal regulations. This does not mean the taking out of use of these lands, which are indispensable to the stockmen of the West, but it does mean the prevention of overgrazing with its threatened destruction of the range. It means also that, wherever possible, not only will deterioration of the range be stopped, it will actually be rebuilt so that our grazing area may be preserved and enlarged.

Under this administration the Soil Conservation Service was set up in this Department but later was transferred to the Department of Agriculture. This Service, by actual demonstration, is making it clear to the farmers of America that their own economic welfare, as well as the happiness and well-being of their children, depend upon using their lands so that they will not be washed or blown away.

Proof is being made that soil erosion, which has taken such a heavy toll of our fertile lands, can be prevented or counteracted. Large sums of money have been spent under this administration in flood-prevention work. Under the Petroleum Code of the National Industrial Recovery Act and under the Connally Act, at least, a beginning has been made toward stopping the reckless over-

production and consequent waste of petroleum and its products, which are exhaustible and irreplaceable resources upon which not only the prosperity but the very life of the Nation depends.

FLOOD CONTROL; CONSERVATION; WATER POWER

As a byproduct of the work this administration has obligated itself to do for the control of floods and to aid navigation, great water-power projects, such as Boulder Dam and the Tennessee Valley undertaking, have been completed or are being developed, the energy from which is available to the people at a cost within the means of all. Reforestation and afforestation have made tremendous strides. The Guffey Coal Act represents an effort to conserve our coal supply and protect our miners. Realizing the important place of wildlife, not only in our domestic economy but as related to the health and general welfare of the people, wildlife and bird refuges have been set up under this administration to an extent never before known. A notable start has been made toward solving the almost overwhelming problem of stream pollution. Submarginal lands from which farmers have struggled in vain to make a decent living are being purchased by the Government and taken out of agricultural use. Additional areas have been added to old national parks and new national parks have been brought into the system.

And to implement his conservation policies in an effective and hitherto unthought-of way President Roosevelt conceived the brilliant idea of setting up C. C. C. camps, so that hundreds of thousands of the youth of the land, who otherwise would not be employed, might have the chance of building up their own bodies while grafting new skin to cover the scars and the burns from which our land has suffered at the hands of man and the forces of nature.

PRESIDENT F. D. ROOSEVELT GREATEST CONSERVATIONIST IN AMERICAN HISTORY

This bare recital of actual achievements is ample proof of the statement that this administration has done more to advance the cause of conservation than all preceding administrations put together. Where others have torn down, Franklin D. Roosevelt has built up; where others have closed their eyes to reckless and oftentimes illegal exploitation, he has been alert in the public interest; where others have done lip service to the principle of conserving our national wealth, while expressing regret that nothing could be done about it, President Roosevelt has not only found a way, he has insisted that it be taken. Having already fairly won the right to be ranked as the greatest conservationist in American history, President Roosevelt will continue to give ample proof not only of his theoretical interest in this policy but of his practical ability to give effect to it.

Years ago I joined the ranks of the conservationists. That was during the administration of President Theodore Roosevelt. When the present President of that name did me the honor to invite me to Washington as head of the Department of the Interior I came as a convinced and steadfast believer in the proposition that our natural resources should be carefully conserved and prudently used in the interest, not only of every American of this generation but of every American of the generations to come. No opportunity to advance the cause of conservation has been overlooked by the Department of the Interior under this administration. While the laws of the land have been conscientiously adhered to, all questions of doubt have been resolved in favor of the public as against any selfish private interest.

COMING GENERATIONS MUST BE CONSIDERED

It always has been, and it probably always will be true, that those who stand vigilant guard over our treasures of forest and land and stream in order to protect them from the predators will be openly condemned and cunningly attacked. Notwithstanding, we must bear in mind that the true function of Government is to see beyond the current month or the present year. Casting our eyes into the future, we must think of the coming generations, remembering that the imprecations that are hurled today at those who would protect our national wealth tomorrow will reecho as the plaudits of a grateful Nation.

SECRETARY ICKES CONCLUDES WITH HOPES OF DEPARTMENT

Mr. President, whether the Department that is to occupy this splendid new building, which in itself represents an outstanding accomplishment of your administration, is to be christened with the name that we would be so proud to bear, that of the Department of Conservation, or whether it is to continue to be known as the Department of the Interior, as the head of the Department, I pledge to you our active support and unwavering loyalty in advancing the cause that is as dear to our hearts as it is to your own. Under your leadership and with your encouragement every member of the staff has come to realize that all problems brought to us for solution must be considered, so far as may be possible under the law, from the point of view of the interests of the people as a whole and all doubts resolved in that same interest.

As is well known, most of the major activities of the Department of the Interior at this moment are touched with a conservation interest. This new building represents much more to us than merely better and more desirable office space; it means something besides relieving the overcrowded conditions in our present building; it is to us a symbol of a new day; a turning in the long road that we have traveled since the time when the Treasury Department, with its blessing, sent us forth to do a work that was already cluttering up that Department in a manner that could no longer be tolerated. Let us hope that a great new adventure lies ahead of us at a significant time in the in-

ternal affairs of the United States; that a definite and final reversal of our course of heedless exploitation of our national assets is at hand, to be followed by the adoption of a policy of prudent use of those same assets, which is true conservation.

To this new policy, in grateful recognition of its adoption, belated though it may be, let us then dedicate this new building. And, more importantly still, let those of us who, as members of the Department of the Interior, have the great privilege of serving the people, rededicate ourselves anew to that service. In doing so may we ever have in mind that our supreme duty is to do all that we possibly can to advance the welfare of mankind.

[Applause.]

III

ADDRESS BY FRANKLIN D. ROOSEVELT, PRESIDENT OF THE UNITED STATES

The President spoke as follows:

Mr. Chairman, Mr. Secretary, and all of you who are present at this dedication of the first large monumental building that was started in this administration and is being completed in this administration:

PRESIDENT PRAISES WADDY WOOD AND ADMIRAL PEOPLES

On behalf of the Government, I want to extend my thanks and extend my appreciation to those who have taken part in the actual construction of the new Interior Department Building—my old friend, Waddy Wood, architect; my old friend, Admiral Peoples, head of the Procurement Division [applause]; and also to those who have been in charge of procuring material and undertaking the contract, and especially to the workmen who have done the job. [Applause.]

I think that every American who loves his country ought to take to heart the earnest and sensible plea of the Secretary of the Interior for a vigorous, continuing national policy of conservation. As for myself, I am dedicated to the cause. And the Department of Interior, as now constituted, is fully alive to the imperative necessity of protecting and preserving all of our natural resources.

A nation less bountifully endowed than ours without a national policy of conservation would have ceased to exist a long time ago. The remarkable thing was that the people of the United States were so complacent for so long in the face of exploitation and waste and mismanagement, yes, and even larceny of the national wealth that belongs to all the people.

PRESIDENT URGES CONSERVATION OF OUR GOD-GIVEN WEALTH

But not everybody remained insensible to what was happening. On occasion there came, as cries from the wilderness, warnings against the ravaging of our forests, the waste of our topsoil and our water supplies, and the dissipation of our oil reserves and mineral deposits. Theodore Roosevelt, when I was a very young man, rose up and battled against this squandering of our patrimony. He, for the first time, made the people as a whole conscious that the vast national domain and the natural resources of the country were the property of the Nation itself and not the property of any class, regardless of its privileged status.

Supported by an awakened country, which we find now is beginning to realize the truth of the old warnings, we in our later days have devoted our thoughts and energies to the conservation of our God-given wealth. Employing every agency of Government at hand to protect our birthright, we have in the past several years made advances far beyond the hopes of earlier-day conservationists. But the battle goes on, and, as in the case of other battles, it is a battle against the law of opposition. That battle must be carried forward with renewed vigor if future generations are to receive the full benefits that are their due.

COMPARES WAR AND CONSERVATION

This Department, the Department of the Interior, was first known as the Home Department, and it was a pretty good name. It was established fourscore and seven years ago, and since that time its activities have been intertwined with the internal development of the Nation itself. I found a few days ago the report of the committee of the House of Representatives which favored creation of the Department. Nearly a century ago that report was made, and it gives us an interesting picture of the times. The report said this:

"The general fact remains unaffected that war and preparations for war have been practically regarded as the chief duty and end of this Government, while the arts of peace and production, whereby nations are subsisted, civilization advanced, and happiness secured, have been esteemed unworthy the attention or foreign to the subjects of this Government. It seems to us that this should not always continue, but that we should as a wise people reorganize the Government so far as to fulfill these duties also, which are suggested by the nature, aspirations, and wants of our race as physical, moral, and intellectual beings; that it should do something toward protecting the people against those internal enemies, ignorance, destitution, and vice, as well as against those foreign foes who may invade or who it is apprehended may assail us." That was written nearly 100 years ago. Think of the progress since those days!

And so the Department of the Interior, Secretary Ickes, came into being with a Secretary in the President's Cabinet, with jurisdiction over four people—the Commissioner of the General Land Office, the Commissioner of Patents, the Commissioner of Indian Affairs, and the Commissioner of Pensions. I am wrong; he had jurisdiction over one other person, the only employee, a chief clerk at \$2,000 a year. Secretary Ickes, you have more than five people under you today. [Laughter and applause.]

GROWTH OF INTERIOR DEPARTMENT

As the country expanded and the needs of the people grew, the activities of the Interior Department broadened to new fields of endeavor. I like to think that this speaks for the progress that we are making—the design for this building—architects have been guided by sound principles of utility and economy. Without sacrificing any of the dignity deserving of a great department of the Federal Government, they have conceived a useful building of practical simplicity. They have been sparing in the application of rich ornament, but convenience, comfort, and sunlight have not been sacrificed.

I think that we have acted wisely in erecting this new building at this time. We have incorporated it in our public-works program that was established as a means of providing sorely needed employment in the building trades and the industries that supplied them, and which has already been successful in aiding the return of the Nation to better times. This building rising above us is but one unit of our great public-works program—a program which is erecting thousands of schoolhouses, hospitals, and other public buildings in every city of the Union.

Other factors in addition to the problem of relieving unemployment influenced our decision to erect this building without further delay. This great Federal family of ours in Washington, like other large families, has its own serious housing problem. We have grown over a long period of years until governmental buildings have been taxed to capacity, and every available square foot of space put to necessary use.

Government departments have been forced to seek space in buildings other than those owned by the Federal Government, and, as you know, we are now leasing several million square feet of office space in over 100 privately owned office buildings, and have been obliged in a few cases even to find quarters in residences and apartment houses. So we are eager to complete this building for a practical purpose—to reduce the rent bill of the family. When it is used, many Government workers will be gathered back in a building under a roof owned by the Government of the United States.

So, as I view this serviceable new structure, I like to think of it as symbolic of the Nation's vast resources that we are sworn to protect, and this stone that I am about to lay, as the cornerstone of a conservation policy that will guarantee to future Americans the richness of their heritage. [Extended applause.]

The President then proceeded in the laying of the cornerstone. Turning to the crowd, and holding a trowel above his head, the President said:

It may interest you to know that this same trowel was used by the first President of the United States in 1793 in laying the Capitol cornerstone itself. I think it is a good augury. [Continued extended applause.]

BENEDICTION BY RT. REV. P. J. MCCORMICK

Benediction pronounced by Rt. Rev. P. J. McCormick, acting rector of the Catholic University of America:

Let us pray:

Almighty and eternal Father, who dost not despise the least of the undertakings of Thy children here on earth nor deny Thy favor to any efforts for human betterment and welfare, we beseech Thee to bless us today as we solemnly proceed under Thy auspices to erect an edifice the better to enable us as a people to conserve and to use the resources which Thou hast confided to our keeping. May we, with Thy light and grace, rightly estimate them in their spiritual and material values and, through a faithful stewardship of them, promote the ends for which our Nation was founded and which, with Thy assistance and favor, it must attain. Through Jesus Christ our Lord. Amen.

Mr. Speaker, the Department of the Interior issued a statement for the press previous to the laying of the cornerstone. The memorandum is as follows:

President Roosevelt is expected to lay the cornerstone of the new Interior Department Building Thursday, April 16, at 11 a. m., in the presence of a distinguished audience. He will use the trowel wielded by President George Washington in laying the cornerstone of the Capitol of the United States in 1793. The President will make a brief address, as will Secretary Ickes. Hon. Frederic A. Delano, Chairman of the National Capital Park and Planning Commission, will act as master of ceremonies. Rev. Joseph R. Sizoo, D. D., pastor of the New York Avenue Presbyterian Church, will offer the invocation; Rt. Rev. Patrick J. McCormick, acting rector of Catholic University of America, will pronounce the benediction. Music will be furnished by the United States Marine Corps Band and C. C. C. enrollees will serve as ushers.

Fifteen Hopi Indians, in tribal costume, will give a colorful touch to the dedicatory ceremonies.

Erected as a P. W. A. project, the new Interior Building represents the first major Federal Government structure in Washington authorized, designed, and built under the present administration. Its cost was estimated at \$12,000,000. Excavation was started August 12, 1935. The contract calling for completion on December 17, 1936—16 months—will constitute a record for a building of this size and type.

Two city blocks of 5½ acres, extending from C to E Streets, and from Eighteenth to Nineteenth Streets NW., are covered by the structure, which is 575 feet long by 383 feet wide. It will be

seven floors in height, with an eighth floor above the central unit, and a basement. Utility and maximum comfort for the personnel are expressed in the plan of the building. It consists of a center wing, two blocks long, extending from C to E Streets, with six wings on each side, extending through from Eighteenth to Nineteenth Streets. Every room is an outside room, the courts between the wings opening upon Eighteenth and Nineteenth Streets and providing maximum light and air. There are 2 miles of corridors altogether. Twenty high-speed large capacity elevators, opening from the main or center corridor, and two escalators operating from basement to second floor, provide for the traffic between floors. On the roof will be modern broadcasting studios with the most modern of equipment.

Exclusive of corridors, toilet rooms, elevators, stairways, machinery space, and the like, the net usable area is approximately 700,000 square feet. The gross area is 1,050,000. Features that will be especially appreciated by the personnel are the cafeteria, one of the largest in the National Capital, and the large basement parking space.

In a specially constructed copper box, to be placed in the cornerstone of the new Interior Department Building, will repose a file of documents sufficiently varied to give archeologists of the future a comprehensive close-up of official duties and civic accomplishments carried on in the year 1936 by one of the largest departments of the Federal Government.

Approximately 3 feet long by 1¼ feet wide, and 7 inches deep, the box will have as contents a Bible; a silk American flag; a pamphlet on the Constitution of the United States; a bronze medalion of President Franklin D. Roosevelt; an autographed photograph of Secretary Ickes; miniature drawings of the new building showing the architectural, structural, and mechanical details; service monographs of the Bureau of Mines, Office of Education, Reclamation Service, National Park Service, and Office of Indian Affairs; a historical outline of the public-land system; copy of the Congressional Directory for the Second Session, Seventy-fourth Congress; laws relating to the National Park Service; Glimpses of Our National Parks, a publication of current information; current newspapers and coins. Also enclosed will be copies of the act approved June 16, 1933, under which funds for the building were authorized; of the latest annual report and telephone directory of the Department of the Interior; of the 1892 hearings before a House Committee on Appropriations for the Department of the Interior and of the hearings on the Department of the Interior appropriation bill for 1937; of the publication The Department of the Interior, Its History and Proper Functions; of the invitation to the cornerstone ceremony and program; and a photograph and short history of the present Interior Department Building.

Twelve departmental units, numbering some 5,000 persons, will be housed in this structure, into which will move the Office of the Secretary of the Interior, the General Land Office, Office of Indian Affairs, Office of Education, Bureau of Reclamation, National Park Service, Division of Territories, Division of Grazing, Division of Geographic Names, Bureau of Mines, National Capital Park and Planning Commission, and the Commission of Fine Arts.

The old Interior Building, however, will continue in use. The Geological Survey, one of the principal bureaus of the Department of the Interior, will be maintained in the old Interior Building, where its many laboratories and operating facilities will find expanded space when the above units have been evacuated.

Cut limestone over a granite base, finished with classic detail, yet modernized in design, is the material utilized for the new building, which will be a serviceable structure. Its architectural massing and proportions will fully accord with the group of Government buildings and formal parks planned for the new triangle area now taking shape between E Street, Constitution Avenue, Eighteenth Street NW., and the Potomac River. New buildings for the War and Navy Departments have been proposed for this group.

The erection of the new Interior Building, on its mammoth scale, was found advisable in view of the fact that at least 15 Federal buildings scattered through the District of Columbia now house the Department's various bureaus.

Altogether the Federal Government now is renting for its own use a total of 2,723,000 square feet of private building space in the District of Columbia—in 121 different buildings. When the new building is occupied it will be possible to reduce the Federal monthly rent roll in the District of Columbia.

THEY KEPT THE FAITH

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. KNUTSON. Mr. Speaker, under permission kindly granted me by the House, I herewith insert in the CONGRESSIONAL RECORD a copy of some remarks made by me in Statuary Hall, Capitol, on April 6, same being the nineteenth anniversary of America's entrance into the World War:

It is entirely fitting that we should gather before the statue of the late Senator Robert M. La Follette upon this occasion. He was one of the six Senators who had the courage to vote against our entrance into the war 19 years ago today. There are but

three men now in Congress who voted against our entrance into the war—Senator NORRIS, Mr. LUNDEN, and myself.

I well recall that occasion. We were told that it was a war to make the world "safe for democracy"; also that it was "a war to end all wars." Now, we know that these were empty and meaningless phrases. Democracy is in a more precarious condition today than ever before. Dictators rule with an iron hand, and we have war and threats of war.

I well recall the tremendous pressure that was applied to an unwilling Congress to vote as the international bankers and munitions makers dictated. We were deluged with bushels of telegrams demanding that we "stand by the President." As a matter of fact, we are going through a similar hysteria in our country at the present time, only now the very foundation of constitutional government is threatened.

My friends, I hope that we may have one more amendment to our Constitution, and I refer to the Ludlow resolution, which would submit to a vote of the people all proposals for war, save when our country is actually being invaded. Had we had such a provision in the Constitution back in 1917, the American people would have overwhelmingly repudiated the proposal that we enter the World War, and we would have been spared all the suffering and anguish that has resulted from our participation in that great conflict. If a vote on war could be submitted to those who made the supreme sacrifice, or who came home blinded and maimed, the result would be the same and equally decisive.

Wars settle nothing. They are futile, stupid, and expensive, and of all the wars of which there is record in history, the World War was the most stupid and indefensible. I hope that not in your time or mine we will commit or repeat that colossal blunder of April 6, 1917.

It is to promote a better understanding of what war implies and the sufferings and misery that follow all wars that we assemble today to honor those 56 who had the foresight and courage to vote "no" on that fateful day, 19 years ago. May their memory never grow dim.

THE NEW DEAL

The SPEAKER. Under a special order the Chair recognizes the gentleman from Massachusetts [Mr. GIFFORD] for 25 minutes.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent that my time be extended 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. GIFFORD. Mr. Speaker, in his address at Baltimore, on the evening of April 13, the President made the following somewhat startling statements:

We shall press ahead with new experiments; the period of social pioneering is just beginning; retire all over the age of 65; forbid those under 18 to undertake employment.

He did not tell those young people assembled there to hear him that his administration has already mortgaged them and their children to an amount which must necessarily carry the Nation's indebtedness up to \$40,000,000,000. A beautiful example of how easy it is to make glowing promises and carry on costly experiment with no regard for how the cost thereof is to be met. He declared that industry had really reached the high point formerly attained by it, but that now only 80 percent as many human beings are necessary to achieve the same amount of production.

He declared:

That we do something and when we have done something, if it works, do it some more; and if it does not work do something else.

In other words, he keeps on experimenting and experimenting. Keep up trial by error; submit the people further as guinea pigs for the "brain trusters" to operate upon; continue the wild and impractical schemes now so prolific under the encouragement of this administration. Hardly could we be surprised if we should find him endorsing the Townsend plan, social credit insurance, and many of the other panaceas now prevalent. He ridicules those accustomed to sound reasoning when they urge that we put the Federal finances in order and return to those principles of government which made us the greatest nation on earth. He did not tell these young people that but a few years ago only 1 dollar out of 13 was needed for taxes, while now 1 dollar out of every 4 is taken forcibly for that purpose. He did not encourage debate, that these young people might have a right to see whether they are willing to bear the heavy burden fastened upon them in the future to carry out his own particular ideas of social planning.

They might well be consulted as to whether they really desire to become a nation of tap dancers and the "bene-

ficiaries" of kindred so-called cultural boondoggling schemes now parading over the country in the guise of made-work relief. It is estimated that nearly one-quarter of our population is the recipient of some form of Government relief and largesses. It may be that the other three-fourths of our population who pay the bills will suddenly become actively interested in these proceedings. We know that the President has recognized the failures of the relief set-ups as the years have gone by. We recall the P. W. A. in 1933 and, because of its slowness in getting into operation, the mad attempts of the C. W. A. to distribute Federal funds as fast and widely as possible, at least to prove to the country that we could really get rid of money hurriedly. We recall the vast sums allocated to municipalities, without any reference whatever as to their need, and the daily wage paid in large sections of the country amounting to three times the accustomed prevailing wage in such sections. The next step was the F. E. R. A., which was more sensible but resulted in the carrying on of many wild and fantastic schemes of no permanent value whatever. Finally there was evolved the W. P. A., which, after the previous experiences, for a while seemed to be a material improvement. Under this plan many worth-while projects have been undertaken by the municipalities. Nevertheless, a great many of these have been undertaken by communities financially unable to carry them on but held to the temptation of the 55-percent grant by the Federal Government.

However, under the W. P. A. it seems that it has been possible to knit together a vast and powerful political machine, the existence of which no one will have the temerity to deny. The loud protestations of those in charge of relief funds that politics will not enter into the question of relief sounds but a hollow mockery in the ears of those over the entire Nation who are now made familiar with its workings. It would, indeed, be silly to believe that the thousands directly in charge in the different municipalities could not have been instructed by those higher up before they would even dare to pursue the present political methods. A recent instance in my own State serves but as one small illustration of what must be now prevalent over the entire country. A member of the Governor's council of my own State made public the text of a letter written to an applicant for employment and signed by the president of a county Democratic league. It read as follows:

I have sent your name through for highway work. If you are not a registered Democrat, kindly visit the town clerk before 5 p. m., March 18, and have your party designation changed to Democrat.

Such action by these small Democratic organizations makes it a fair assumption that the approval of those above them had been secured. It is to be expected that the spoilsman will have his due when it comes to the distribution of patronage, even under the protection of the civil-service laws, but it is nothing short of a damnable outrage when relief money is used for political purposes. Thus far only denials and whitewashing have been the answer by those in power. It is peculiarly within my province as the ranking Republican on the Expenditures Committee to make protest. You will recall that I did so in no uncertain manner while the wasteful and absurd practices of the C. W. A. were in operation. The Committee on Expenditures has failed to function. I have a high regard and real affection for its chairman, who, if allowed to do so, would make a most excellent investigator. Surely he has these extravagant and wasteful expenditures much on his mind. He has amply proved this by his devotion to his work and the attention he has paid and the fights he has made on the floor to prevent improper expenditures carried in bills on the Consent and Private Calendars. He has greatly desired that Government activities be coordinated, even though his committee dismissed—with but little attention—the recommendations made to it by the outgoing President in 1932.

We have recently noted the attempts to investigate relief activities by the Senate. It seems to be well understood at the moment that this is not at all desired by the administration, and that the composition of the committee does not

lead us to expect anything except another dose of white-washing.

Let us see for a moment what the President has had to say on the subject of relief:

[Excerpts from the President's annual message to the Congress, Jan. 4, 1935]

More than \$2,000,000,000 have been expended in direct relief to the destitute. Local agencies of necessity determined the recipients of this form of relief. With inevitable exceptions, the funds were spent by them with reasonable efficiency * * *; but the stark fact before us is that great numbers still remain unemployed. * * * To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit. * * * Work must be found for able-bodied but destitute workers. The Federal Government must and shall quit this business of relief.

It is my thought that * * * all emergency public works shall be united * * * in a new system to supersede the Federal Emergency Relief Administration with coordinated authority which will be charged with the orderly liquidation of our present relief activities * * * and to be governed by a number of practical principles.

The first two which the President enumerated were:

(1) All work undertaken should be useful, not just for a day or a year—

And—

(2) compensation should be in the form of security payments, larger than relief dole, but not so large as to encourage the rejection of opportunities for private employment.

The following excerpt is taken from a radio address delivered by the President April 28, 1935:

I call upon my fellow citizens everywhere to cooperate with me in making this the most effective and cleanest example of public enterprise the world has ever seen. If you will help, this can be done. Feel free to criticize.

We all know that criticism is not truly desired. Most of us know how rash it is to make any criticisms of relief measures. I can only hope that my own constituents who have known me for a lifetime will realize that my temperament makes me eager to assist those in need of assistance and that my criticisms are not captious ones.

But it is now high time, after the experience of the past and in view of the three billion or more dollars now made available for relief, that a more sensible and honest expenditure of these funds be made. In spite of the President's opinion, and that of Administrator Hopkins, real consideration must be given to the opinion of the businessmen of the country, to whom we must look to bring us out of the depression. Again I refer you to the meeting at White Sulphur Springs some 2 years ago of the great industrialists of the Nation, and supposedly having met at the President's request, and who practically unanimously recommended the system of direct relief. I invite your attention to a timely editorial in the last issue of the Saturday Evening Post which referred to the survey of the problem by Mr. Howard Bruce, banker and industrialist, and for 8 years a member of the Democratic National Committee. He says:

If I were undertaking to write a formula for the next 12 months, work relief of the W. P. A. type would play but a small part, and the formula would provide that the Federal Government should supply a portion of the funds for direct relief, and that each State and its political subdivisions would supply the remainder.

He points out—

That relief should be given according to the individual need and that made work does not add to the self-respect of the individual; he knows he is on relief and his effort will be to obtain a meager security wage with a minimum effort.

It is well known that the social-security bill, which is supposed to be the President's brain child, aims at unemployment insurance. Yells of "Dole" will probably emanate from the throats of those who now favor boondoggling. But, if it can be called insurance later on, it can be called insurance now. See that this fund is used according to the need of the individual. It can be reasonably expected that the citizen so helped will use the time released to himself for material and cultural benefits of his own choosing and add vastly more to the permanent material and spiritual welfare of the Nation.

Somehow all too many of our citizens seem to believe that the Federal Government has money in limitless supply. They

understand that when aid is granted locally it must be paid for by direct taxes. However, the Federal Government is so far removed from them and Federal income taxes fall directly on so few, relatively speaking, that the realization that it, too, must eventually be repaid for all it expends by way of relief does not prevail. There is not even the realization that they are now paying, through the medium of indirect or hidden taxes. Likewise, certain legislators advocate issuing additional printed money, and this gives the impression to many that all the Government at Washington need to do is set the printing presses into faster operation.

But we really have no money. The power to raise it by taxation has been exercised almost to the breaking point. We have borrowed and must continue to borrow to an extent that may bring disaster even in the immediate future. May I quote from a statement recently made before a committee by Mr. Morgenthau? He said:

What I might say, if it became public property, might have a very adverse effect on the Government's credit. Now, that whole question of Government credit is such a delicate thing. One day there is confidence, and the people who buy bonds are with you. Then overnight something happens and they won't buy. * * * The minute I cannot raise the money to finance the Government, that minute you will have complete chaos.

Under questioning he conceded that the Treasury now faces the problem of raising around \$12,000,000,000 within the next year and a half.

Are not the arguments of Lew Douglas persuasive? In the light of what he said months ago, Mr. Douglas would appear to see only repudiation ahead. Is there to be another dose of coin clipping?

It is estimated that direct relief would cost not much more than one-half of the sum contemplated for expenditure under the present wasteful system. Among many Members there is a strong sentiment for the earmarking of most of these measures for P. W. A. projects to assure their being of at least some permanent value. But such projects could not wholly take care of the vast army now in need of relief. Many people are unfitted, or for various reasons unable, to work on such projects. Moreover, not a few of them—such as Passamaquoddy and the Florida canal—are themselves of doubtful merit or worse.

May we not well take a lesson from England? She some time ago abandoned such schemes for relief and for the fourth successive year has achieved a balanced budget, all under a system of direct relief. We, on the other hand, have registered failure. Why not, then, adopt a method which has worked successfully there? The answer would seem to be, simply because it is not compatible with the highly socialized aims, experiments, and notions fostered by this administration.

Subsistence homesteads! Resettlement vagaries! Satellite cities! Tree belts stretching from Canada to the Gulf, and many, many other grandiose but impractical schemes. Slum-clearance projects like those condemned on the floor recently by New York City Democrats. Boondoggling monstrosities too numerous to enumerate.

Does not the colossal failure to solve the unemployment question by such methods, tried over a period of 3 years, move you to demand a return to good old-fashioned ideas?

Blind, indeed, are they who do not realize that the one thing that is still lacking to assure true recovery is confidence. Well, it is small wonder that such confidence is lacking—that in the light of what has happened during the past 3 years business and finance hesitates and actually shudders at what may be done by this President of ours and the advisers to whom he has clung so tenaciously. Or who have clung so tenaciously to him.

Those who have will invest only in commodities of present value and will not invest in the future of the Nation for fear that their money will not return because of the possibility of further devaluation and more taxes and stifling legislation which continue to threaten the very existence of corporate business.

Conditions were indeed desperate early in 1933. However, nothing could keep America from forging ahead toward eventual recovery from the world-wide depression, and it has done so despite the retarding effects of many of the legislative acts

which have been written on the statute books. Our recuperative power is truly great. I personally recovered from a very severe sore throat a short time ago, although, contrary to the advice of my physician, I smoked constantly. Nearly always the inherent power of recuperation overcomes even retarding actions; and there is a ray of hope for a return to sanity. I venture to suggest that the coming political race may be exceedingly interesting, even though it is run on a rather "muddy" track. Certainly the President, as such, has been treated most considerately by the opposite party. As "Candidate Roosevelt", however, it will be different; but, if he is attacked with some vigor, please remember the days when the cry was, "Smear Hoover!" Reread the Democratic speeches made on the floors of Congress during the days preceding the Tugwellian socialistic era. Let us hope that you Democrats can "take it" as well as hand it out.

In one thing the Republicans are indeed fortunate. Exceedingly effective fire is being directed at you by the most able of your own former leaders. Such Democrats as the great Senator from Virginia, who are faced with the necessity of seeking reelection, will again climb on the donkey's back and join the parade for the sake of the party and their own political interests, of course. However, even if the present administration should be returned to power, you may anticipate from such Democrats an insistent demand that the President finally depart from his costly experiments and pursue a saner and safer course.

Let me quote to you from remarks made by Senator CARTER GLASS:

The New Deal, taken all in all, is not only a mistake; it is a disgrace to the Nation. The time is not far distant when we shall be ashamed of having wandered so far from the dictates of common sense and common honesty. I would rather have died than live to see the disgrace of this era. Perhaps it would be better to drop the expression "brain trust" and substitute a word more apt. As for the New Deal, thousands of struggling industries are being driven out of business. . . . I have not had anything to do with it, nor have I permitted it to have anything to do with my business.

Are not the rebukes which have been administered by Glass, Byrd, Douglas, Johnson, Al Smith, Jim Reed, Bainbridge Colby, John W. Davis, Ritchie, Tydings, Ely, Raskob, Shouse, and even Moley—and many other nationally known Democratic heroes of other days—still ringing in your ears?

O people of this Nation, return to the faith of your fathers. There has often been a sharp cleavage between the two major parties but never before has a party been willing to put in jeopardy the very liberties of our people, so dearly bought for us by those forefathers. Mark well the state of many of the other nations of the world, already beneath the iron heel of dictatorships. Let us rather endure a little longer these temporary ills and hardships than embark on the kind of craft, no matter how attractively it may be painted, which has borne those other countries to the shores of communism, nazi-ism, and fascism. Spurn the future guidance of men whose names were better known in red Russia than they were here before they were placed in charge of some of the branches of our Government. If your Presidential candidate must be Roosevelt, do not again write an appealing platform and pledge him to it, as you did 4 years ago, and then—should he be reelected—permit him not only to break the promises which he may personally make but repudiate and make a mockery of the party platform by which the votes of a misguided and trusting electorate shall have been secured.

To me it is almost beyond comprehension that the present Democratic Party believes that it can successfully go again to the people, in view of the great betrayal which has occurred. Let us rather hope and believe that the withering fire of criticism, condemnation, and ridicule that has already been poured in upon this administration from true Democrats, as well as Republicans, will at least force the abandonment of the weird and unworkable plans of those leaders who have set as their prime object the making over of America.

How tenderly, indeed, have we to date treated this President of ours! It has thus far been only his advisers who

have been castigated. Tugwell, Wallace, Hopkins have felt the lash of an aroused public opinion, but thus far the only suggestion made is the semipolitical statement that these things cannot have reached certain ears.

The people must now be made to realize who is the master mind that appoints these chosen vassals and approves their un-American policies and performances. I am not a lawyer, but I understand that one legal axiom is that the principal is responsible for the acts of his agents performed in the course of their employment. And that even if an act was not specifically authorized in advance, its consequences are just as binding on that principal if later ratified. Failure to disaffirm and fire the offender may be such ratification. The President must assume all responsibility. He cannot escape it; and now that the facts of these repeated wild and wasteful experiments and repeated failures are being brought home to the consciousness of the people, it may not this time be so easy for you to build up a personality which shall remain sacrosanct.

Relief has indeed been distributed. But not only has far too much of the money failed to reach its intended beneficiaries and the waste and inefficiency been deplorable, but very soon the tax collector will start coming around with his demands that the money all be repaid and interest added. Our children and our children's children will hear his knock on their doors.

Moreover, the realization that the surrender of a goodly portion of our liberties has been the price which we have had to pay for this governmental assistance in our time of need will bring its rude awakening. Even the farmer will rebel against being told just how much, or how little, he may sow and reap.

Even a majority of the people can be blinded for a time by dazzling promises of immediate and personal benefits. But the realization must eventually come that those who dance must pay the piper. And then loyal Americans of all political faiths will join the chorus of protest until its volume reaches those ears that now hear only the pleasing tones of flattery and adulation.

Self-interest is, indeed, a mighty motivating power and it may sway a great many for a little while longer, but sooner or later the revulsion must come. And a prominent Democrat has stated that, after being reelected, large numbers of them would desert such an administration like rats leaving a sinking ship.

In concluding I wish to remind you that the remarks which I have made have not been partisan in the sense that they were uttered by a Republican assailing Democratic policies and performances. They have been strictly in line with what innumerable Democrats have likewise said—sincere Democrats who have become seriously disturbed by the present trends of our Government and greatly fear for the future well-being and liberties of our States and citizens alike. They, too, abhor the subtle persuasive methods which have been and are being employed to subvert the people and by the granting of largesses under the cloak of relief—a mess of pottage—to induce them to surrender their birthright of individual liberty granted and guaranteed under the Constitution. I quote ex-Senator Reed, "Destroy the Constitution and liberty is dead."

FLORIDA SHIP CANAL

The SPEAKER. Under special order, the Chair recognizes the gentleman from Florida [Mr. GREEN] for 10 minutes.

Mr. GREEN. Mr. Speaker, the subject of the canal across Florida is one of great importance and to thoroughly discuss it would take far more time than has been allotted to me this morning. Therefore, I shall not attempt to make a general discussion of it in this limited time, but I ask unanimous consent that in my time the Clerk may read a letter which I have today received on this subject and which is of vital interest, I am sure, to all Members of the House. At a later date, when more time is available, it is my purpose to discuss at length this subject.

The SPEAKER. Is there objection to the Clerk reading the letter referred to?

There was no objection.

The Clerk read the letter, as follows:

THE SHIP CANAL AUTHORITY OF THE STATE OF FLORIDA,
Washington, D. C., April 15, 1936.

HON. R. A. GREEN,

Member of Congress, House of Representatives.

MY DEAR MR. GREEN: I note from today's press dispatches that the President has intimated that, in the absence of a specific appropriation for the Florida ship canal by the Congress, he feels that he will be unable to make further allotments to this project from relief funds.

If this is true, it serves to emphasize the desirability of congressional action on this matter during the present session. This is not a proposed project or one which is being contemplated, but a work which is well under way. The enormous excavations which have been made by the Army engineers in charge represent a ditch comparable in size with the Panama Canal and nearly 16 miles in length. Approximately 12,000,000 cubic yards of earth have been removed, and excavation is going on at the rate of 100,000 cubic yards per day. There are more than 6,000 men employed on this work, substantially all of whom come from the relief rolls. It cannot be the intention of Congress to fail to provide for this enterprise which was undertaken pursuant to policy laid down by it, nor does it seem possible that the Congress will permit the throwing out of work of this great amount of labor and the distress and chaos which would result.

I am satisfied that if the facts relating to the Florida Canal were known to the Members of Congress, the project would long since have been provided for by adequate appropriation. It has been the object of vicious attack by interests which are opposed to the economies which the canal would bring about, and it has been subject to a barrage of misleading propaganda which has probably been unequalled since the attempt to defeat the Panama Canal. Even the official acts of record of the Congress and the Federal agencies have been misquoted and given a warped interpretation with a view to misleading Members of Congress and the public.

You will recall that this project was exhaustively examined by the War Department, through the Corps of Engineers, pursuant to act of Congress. The national benefits which will result from the canal have been determined and reported by the special board of survey of the Corps of Engineers, and the cost estimate of \$140,000,000 has been approved by the Chief of Engineers. The Engineering Division of the Public Works Administration approved the project and recommended its construction. A special board of review appointed by the President, composed of Army engineers and engineers of the Public Works Administration, has unanimously approved the project and recommended its construction. The Congress, acting through the Emergency Appropriation Act of 1935, has authorized the project. Its construction is well under way.

The Chief of Engineers has recommended, the Director of the Budget has approved, and the President has transmitted to Congress an appropriation item of \$12,000,000 for prosecution of the work during the fiscal year ending June 1937.

When the House acted upon the War Department appropriation bill it did not see fit to include at that time the specific items of appropriation for this and a number of other projects, although the chairman of the subcommittee in charge of the bill, in entire fairness and frankness, stated: "I think it has been held that any project that actually has been begun and on which money has been expended, stands on the same level with projects authorized by Congress. Of course, that does not mean that we have to do it, but so far as the authorization is concerned it is there." And again he pointed out in his report to the House that the omission of these projects from the bill was without prejudice to their merits. The Senate decided by a majority of 10 votes that these projects were duly authorized and were appropriate items for appropriation should the Congress see fit to include them in an appropriation measure. The Senate by a majority of only one vote failed to amend the War Department appropriation bill passed by the House to include the specific budgetary item for the Florida Canal.

The above is the brief history of legislation on this project to date. The plain facts of the matter are that Congress has authorized the project, but has not yet seen fit to make specific appropriations for it. Any attempts by individuals to construe the legislative history of the canal to mean that it has been disapproved by Congress are gratuitous and contrary to the record.

In view of the above, I trust that you will make every effort to bring to the attention of the House the true facts in this case and to remove from it the veil of false propaganda which has undoubtedly confused the issue in the minds of so many of the Members. If you can succeed in doing this, I am satisfied that appropriate provision will be made to prevent the disastrous results to labor and industry which will inevitably follow failure to provide funds for the prosecution of what is undoubtedly the greatest and most worthwhile project which the Congress has authorized in this generation.

Very truly yours,

H. H. BUCKMAN,
Engineering Counsel,

The Ship Canal Authority of the State of Florida.

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RICH. Would it be appropriate to congratulate the President at this time on discontinuing the Florida ship canal?

The SPEAKER. That is not a parliamentary inquiry.

FLOOD CONTROL

The SPEAKER. Under the special order of the House the Chair recognizes the gentleman from New York [Mr. Lord] for 5 minutes.

Mr. LORD. Mr. Speaker, I want to call attention of the House at this time to the results of the flood condition in New York, Pennsylvania, and other sections of the country that have suffered so greatly. I traveled through Pennsylvania to my home in New York during the last days of last week. I could see the results of that flood standing out very clearly. Many houses have been washed away. In others the underpinning is washed out, and those houses are lying in the cellars, totally destroyed, all as the result of high waters.

In New York State last July we had terrible floods which cost the lives of some 50 people and caused property damage of some \$30,000,000. Again, in November we had a terrible flood and again this spring. As a result of the floods we prevailed on the President of this Nation to have the Army Engineers make a survey of that section and propose some plan to prevent floods of this kind in the future. The survey has been made. The plans are about completed, and the appropriation for the work is the next step.

There has been before the Senate for some time a bill proposing flood control, but that bill has been loaded up with other than emergency projects until I fear it stands some chance of being defeated. But, in fact, there has been very little activity on this legislation. In 1927 there were terrible floods in the State of Vermont. After that time they erected flood-control dams, as they propose to erect them in New York, Pennsylvania, and other States.

During the recent floods, while there was a great fall of water, even greater than in 1927, those dams held the water, and there was very little damage done. We believe if we could get these retaining dams erected in the State of New York and in the other States which need them we could prevent floods like the recent one. If we could hold back the water in New York State that comes down and overflows Wilkes-Barre, Harrisburg, and those other cities, a great deal of that damage, if not all of it, could be prevented. What we need now is action in this case.

I notice in the morning press a quotation, said to be from the President, where he said "he was not acquainted with any special flood-control appropriation bills on Capitol Hill." I think it is time that somebody did acquaint themselves with the flood-control situation. I think it is time the President of the United States interested himself in this legislation. I believe it is of enough importance to the sections that have been flooded that it should be one of the all-important measures, and that we should have relief at the present time. It is time the work was started, for we do not know when these floods will recur. If we can have the protection we should have, we believe that floods in the future will be eliminated.

Mr. KOPPLEMANN. Mr. Speaker, will the gentleman yield?

Mr. LORD. I am sorry, but I do not have time.

I want to urge upon the Members of Congress who come from these flooded areas, especially those from New York, Pennsylvania, the New England States, and other States that have been affected, to take some action upon this subject. I am going to ask those Members to meet in the well of the House at the close of the session today that we may formulate some plan that we may encourage and hurry on this control, which I believe is so important to all of us, and especially so in the East. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

FEDERAL DEPOSIT INSURANCE CORPORATION

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 485.

The Clerk read as follows:

House Resolution 485

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 230, a Senate joint resolution

amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent for the adoption of an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR: On page 1, in line 6, after the word "amended", insert a comma and "and all points of order against said joint resolution are hereby waived."

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MICHENER. Mr. Speaker, reserving the right to object, what is the purpose of the amendment?

Mr. O'CONNOR. The Senate passed Senate Joint Resolution 230. The House reported H. R. 11844, an identical bill. The Rules Committee was asked to report out Senate Joint Resolution 230, but there is no report accompanying that particular resolution. The report accompanying the House bill furnishes the information. They are identical bills.

Mr. MICHENER. It was just a clerical error in the committee?

Mr. O'CONNOR. Not in the Rules Committee. [Laughter.]

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The amendment was agreed to.

Mr. O'CONNOR. Mr. Speaker, this is an open rule for the consideration of a Senate joint resolution to extend the time of the Federal Deposit Insurance Corporation to take over the assets of defunct banks.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. GOLDSBOROUGH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 230, amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the Senate Joint Resolution 230, with Mr. CROWE in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

Mr. GOLDSBOROUGH. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, under the provisions of the Federal Deposit Insurance Act the Federal Deposit Insurance Corporation has the right to buy up the assets of closed banks when by so doing it thinks it can save itself a loss and effect a consolidation with another institution. This power expires on July 1, 1936. This resolution extends the time to July 1, 1938.

Unless there are some questions, I reserve the balance of my time.

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. TAYLOR of Tennessee. To what extent are deposits in national banks guaranteed at the present time?

Mr. GOLDSBOROUGH. Up to \$5,000.

Mr. TAYLOR of Tennessee. When does it become \$10,000?

Mr. GOLDSBOROUGH. The \$5,000 is permanent law.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. MICHENER. I notice the form of the resolution is incorrect, in that it states the procedure to be followed in the House to bring about what the gentleman attempts to do. The resolution states simply that paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended, is amended by striking out "July 1, 1936" and inserting in lieu thereof "July 1, 1938."

The gentleman realizes, of course, that if this becomes law in this form, no one will know what the law is, and that there will be no law until the court gets the two enactments of Congress together and codifies them and does the mechanics which the House is presumed to do when it enacts legislation.

I would suggest to the gentleman that he offer as an amendment to the resolution language like this:

That section 4 of the Federal Reserve Act be amended to read as follows.

Then the gentleman will find in the Ramseyer rule in the report just what should appear in the new statute. All the gentleman needs to do is to strike out that which is in the parenthesis, or "July 1, 1930" of the Ramseyer report, and he will have a properly drafted statute. Is there any objection?

Mr. GOLDSBOROUGH. I do not know that there is any objection, but I think the joint resolution is all right as it is.

Mr. MICHENER. Yes; any statute may be said to be all right.

Mr. GOLDSBOROUGH. I think it means what we intend it to mean.

Mr. MICHENER. Yes; but if you just offer a statute to amend the law by saying that after a certain comma you strike out a word and insert a semicolon, then you go down four or five lines and strike out something else, then insert another semicolon, the court on the bench when asked to pass upon the law must do all this mechanical work before he knows what the law is. No member of the drafting service prepared this resolution, did they?

Mr. GOLDSBOROUGH. Yes; the drafting service of the Senate drew the resolution. As far as I am concerned, it is all right. I think the gentleman's criticism is without merit.

Mr. MICHENER. I will offer the amendment. The gentleman having charge of the bill thinks my suggestion is without merit. This is the first time I have ever heard that what I have just suggested is not the correct procedure.

Mr. GOLDSBOROUGH. The gentleman insisted upon my answering. I did not want to say that, but the gentleman made me say it.

Mr. GOLDEN. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. GOLDEN. Has the gentleman any information as to the success of the Federal Deposit Insurance Corporation in salvaging the assets of defunct banks?

Mr. GOLDSBOROUGH. It has salvaged something like 47 banks.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. GOLDSBOROUGH. I yield.

Mr. CRAWFORD. To what extent can the F. D. I. C. salvage these banks? As an illustration, in my home town there are two closed banks now in the hands of receivers. Can the Federal Deposit Insurance Corporation buy up the assets of these banks and take them out of the receivership?

[Here the gavel fell.]

Mr. GOLDSBOROUGH. I am sorry, my time has expired.

Mr. CRAWFORD. Perhaps the gentleman may be able to answer me later.

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to insert a statement of Hon. Leo C. Crowley, chairman of the board, Federal

Deposit Insurance Corporation, prepared for the Committee on Banking and Currency of the United States Senate on Senate Joint Resolution 230. This statement has never been printed.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The statement referred to follows:

Statement of Leo T. Crowley, chairman of the board, Federal Deposit Insurance Corporation, prepared for the Committee on Banking and Currency of the United States Senate on Senate Joint Resolution 230

The pending resolution provides for extending for a period of 2 years the loaning powers of the Corporation under paragraph (4) of subsection (n) of the deposit insurance law (sec. 12B of the Federal Reserve Act, as amended).

Under this provision, the Corporation may make loans to an insured bank, provided, first, the loan will reduce the risk or avert a threatened loss to the Corporation; and second, the loan will facilitate a merger or consolidation of the borrowing bank with another insured bank, or the sale of its assets and the assumption of its liabilities by another insured bank. Under like conditions, the Corporation may purchase assets from an insured bank or guarantee one insured bank against loss by reason of its assuming the liabilities and taking over the assets of another insured bank.

As advances by the Corporation under this section ordinarily will be in the form of loans, its powers under this section are referred to as its loaning powers. However, the power to purchase assets is of equal importance with its power to make loans. Assets may be purchased in cases where, by limitations imposed by State law or by charter, the bank is prevented from borrowing money or pledging assets beyond a specified amount, or where the existence of mortgage moratoria laws embodying restrictions on foreclosure make it impracticable to loan money on such security.

In the course of hearings before this committee last year on title I of the Banking Act of 1935, the Corporation recommended that it be given these powers. At that time we recommended that the powers be granted only for a temporary period to expire on July 1, 1936. Our purpose in suggesting this time limit was, first, to induce prompt action by insured banks and supervising authorities in formulating plans for rehabilitating banks needing these loans; and second, to furnish the Corporation a trial period for testing the results of these loans.

When the Federal Deposit Insurance Corporation was created, Congress provided that all national banks and State banks members of the Federal Reserve System should automatically be admitted to insurance. Congress also provided that any solvent State bank not a member of the Federal Reserve System should be admitted to insurance after examination and approval by the Corporation. Under this provision a bank found by examination to have assets with sufficient value to cover all liabilities to depositors and other creditors was admitted to insurance even though the capital of the bank might be impaired or exhausted. During the year 1934 and the first half of 1935 the Corporation concentrated its energies upon improving the capital structure of insured banks, and many of those which had been admitted with impaired capital corrected this condition. In other cases their capital had been strengthened by an increase in the value of their investments.

However, on August 22, 1935, when the temporary Federal deposit-insurance fund terminated, there still remained a number of insured banks with a deficient capital; and there were also a number of insured institutions which because of basic economic weaknesses are destined to fail eventually unless mergers or consolidations can be effected. Some of these institutions are the residue of the large number of uneconomic banks indiscriminately chartered during the years preceding and immediately following 1920.

The problem of making the banking structure sound in communities where there are now more banks than can be supported can be met only by the ultimate liquidation of some of these institutions or by programs for consolidation. As time passes the condition of some of these banks tends to grow progressively worse. By periodic contributions to capital or reductions in capital and other makeshift remedies, these institutions may be able to forestall liquidation proceedings but are unable to remedy their basic weaknesses. Because of the inability of the supervising authorities to close them as long as they maintain the minimum standards required by law, banks in this category continue in weak condition. If the Corporation adopts a passive attitude toward these banks, they will be permitted to operate until they are forced to suspend and larger losses will be sustained than if the situation is rectified at the present time.

By aid of loans from the Corporation communities with banks in this condition can be given at least one sound bank. This procedure also enables the Corporation to take its losses currently instead of permitting them to accumulate and to fall heavily upon its reserves during a period of financial stress.

Use of the loaning powers of the Corporation also averts the deflationary effects on local values and the disturbance to the locality which result from the receivership and liquidation of a suspended bank. Sound assets are taken over by the purchasing

bank at going bank values rather than at forced sale values. Only the unacceptable assets, taken as collateral on the Corporation's loan, are placed in liquidation. The percentage of recovery of the bank's total resources is substantially increased. The business affairs of depositors and borrowers are not subject to the interruption which follows the closing of any bank, even an insured institution.

The formulation of plans for using the loaning powers of the Corporation has entailed surveys and analyses which have required more time than was anticipated when the limit for making these loans—July 1, 1936—was first suggested to the committee. The Corporation has exercised these powers in six cases. It has made six loans, aggregating \$7,289,492 and in three of these cases \$436,139 has also been expended in the purchase of assets. The deposits in these banks approximated \$17,300,000. Six other loans, aggregating \$273,000, have been approved by the board of directors but have not yet been disbursed. In addition, the Corporation has made commitments to supervising State authorities, or has proposals under consideration, involving the making of loans to about 100 banks.

It will not be possible before July 1, when the loaning power expires under the law as now written, to prepare plans and carry them out in many of the cases where we believe this procedure should be followed. It seems desirable, therefore, that the time limit be extended.

We do, however, again recommend that a time limit be fixed for the exercise of this power. There may be a question as to the desirability of the Corporation having permanent loaning powers, and the suggested period of extension will provide further opportunity for testing the effects of these powers. A time limit will serve as an incentive to the weak banks to work out their problems promptly rather than to postpone them indefinitely in the belief that the Corporation will always make a loan as a last resort.

For these reasons, it is recommended by the Federal Deposit Insurance Corporation that the time limit on its loaning power be extended for an additional 2 years from July 1, 1936, as provided in the joint resolution under consideration.

Mr. SPENCE. Mr. Chairman, I know there will be no opposition to the Senate resolution that is being considered at this time. It is my own thought that of all the constructive legislation passed by the Congress, none has had such a far-reaching effect as that creating the Federal Deposit Insurance Corporation. It has restored the confidence of the people of America in their financial institutions, and the effect of that confidence has been felt every day since the passage of the act.

I want to read a significant statement as to the deposits in the banks and how they have increased since this bill was passed.

The total assets of insured banks were approximately as follows:

On June 30, 1934, forty-three and one-half billion dollars.

December 31, 1934, forty-six and one-half billion dollars.

June 29, 1935, forty-seven and one-fourth billion dollars.

December 31, 1935, \$51,000,000,000.

Now, referring to demand deposits, they were as follows:

June 30, 1934, \$14,000,000,000.

December 31, 1934, sixteen and three-fourths billion dollars.

June 29, 1935, \$18,000,000,000.

The time deposits were as follows:

June 30, 1934, eleven and one-fourth billion dollars.

December 31, 1934, eleven and one-half billion dollars.

June 29, 1935, twelve and one-fourth billion dollars.

On December 31, 1935, the total assets of insured commercial banks approximated \$51,000,000,000. The total deposits of insured banks exceeded \$44,000,000,000—more than had ever been deposited in the banks of America.

Mr. Chairman, I think this is largely the result of the confidence that the passage of this bill brought to the people of America, and as long as we are on the subject, it seems to me it is not inappropriate to speak with reference as to where the credit for the passage of this bill should be placed. It certainly should not be placed to the credit of the bankers.

In his statement before the Committee on Banking, Mr. O'Connor, Comptroller of the Currency, stated:

With reference to the attitude of the bankers, both from the standpoint, as I see it, of the office of the Comptroller of the Currency and as a member of this board, the American Bankers Association held their convention in Chicago in September of 1933, 4 months before the law was to take effect; and I believe only about 5 percent of the bankers in that meeting approved the law. A resolution was passed with an overwhelming majority denouncing the law and asking the President of the United States to delay its taking effect.

Mr. Chairman, we saved the bankers of America, notwithstanding their protests. While I do not want to indulge in partisanship, and while I give full credit to our colleagues on the other side of the aisle who supported the Federal Deposit Insurance Corporation law, certainly the Republican Party deserves no credit for the passage of this law, because in their platform of 1932 we find the following:

In contrast with the Republican policies and record we contrast those of the Democratic Party as evidenced by the action of the House of Representatives under Democratic leadership and control, which includes the guaranty of bank deposits.

Mr. COLDEN. Will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from California.

Mr. COLDEN. Does not the gentleman believe that William Jennings Bryan, as an exponent of that doctrine, should receive some credit for this measure?

Mr. SPENCE. Yes; I remember Mr. Bryan advocated the insurance by the National Government of bank deposits. In any event, I simply want to say that for the passage of this particular act the Democratic Party should receive full and exclusive credit. [Applause.]

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, there is not very much to add to what has already been said by the gentlemen in connection with this bill. I merely want to take a minute to point out to the members of the Committee exactly what this bill does and quote some of the language in it, so you will see that it only covers certain particular kinds of contingencies.

The Federal Deposit Insurance Corporation is, of course, in the business of insuring deposits up to \$5,000, but, naturally, is trying to do this job in as cheap a way as possible and to avert losses as far as possible. It was realized after the original deposit-insurance law was adopted that there might be times when, by proper and judicious intervention by the Federal Deposit Insurance Corporation, prior to the time of making payment of the insured accounts in a bank in difficulties, the necessity of making these payments might cease, and therefore the deposit-insurance fund, which was available to pay insured deposits, might be held intact and might not have any loss whatsoever, or at least not as great a loss as it would have had in the event all the insured deposits of that particular bank had to be paid.

It was for this reason that paragraph 4 of subsection (n) of section 12B of the Federal Reserve Act, which is the section dealing with deposit insurance, was passed, and those of you who have the report before you will note that the paragraph in question gives the right to the board of directors of the Corporation to take this action whenever, in their opinion, the risk will be reduced or a threatened loss will be averted. They may make loans secured by the assets of closed or open banks, they may purchase those assets, or they may guarantee the value of those assets to another bank, which gives a certain flexibility to the Corporation.

When the Corporation sees that a loss is very liable to be incurred because of the situation of some insured bank, knowing that certain insured deposits must be paid, the act gives the Corporation the right to make some kind of a deal, perhaps to advance money on the strength of the assets, perhaps to purchase those assets outright and hold them for liquidation by the Corporation itself or through another bank, or perhaps to guarantee them to some other bank which may take over the business of the bank which has been in difficulties.

All this bill asks is that this right, which has been of considerable value and which is now in the law, be extended for another 2 years from July 1, 1936.

Mr. KOPPLEMANN. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. I yield to the gentleman from Connecticut.

Mr. KOPPLEMANN. I understand the gentleman is in favor of this joint resolution?

Mr. HOLLISTER. Absolutely.

Mr. KOPPLEMANN. May I offer this comment: There are two States in the Union, one of them, unfortunately, the

State of Connecticut, where the State banks do not subscribe to this measure and have not joined the Federal Deposit Insurance Corporation. In view of the fact that the gentleman is in favor of this joint resolution and was in favor of the original bill, and undoubtedly knows of the great benefits that have accrued to the depositors of America, and to the banks as well, I wonder if the gentleman would state why it is that any bank in any State would object to becoming a member of the Federal Deposit Insurance Corporation.

Mr. HOLLISTER. The gentleman, as a good citizen of Connecticut, would certainly not ask me, as a citizen of Ohio, to say why certain institutions in the State of Connecticut do or do not subscribe to a certain act, would he?

Mr. KOPPLEMANN. Then, I take it, the gentleman knows of no reason why they should not?

Mr. HOLLISTER. I would be the last person in the world to try to deal with a Connecticut matter, on which the gentleman must be better informed than I.

Mr. KOPPLEMANN. May I ask, further, whether the gentleman knows of any reason why any bank in the Nation should stay out?

Mr. HOLLISTER. Oh, a great many reasons. I could talk for half an hour or an hour on that subject. There are reasons both for and against deposit insurance. It is a very highly controversial subject, and I am not prepared to give all the arguments against it to the gentleman, because there are a great many of them. There are also a great many arguments in favor of deposit insurance, and, as the gentleman will recall, the present act is a kind of compromise between those who objected to any insurance at all and those who wanted 100-percent insurance with full liability on the Government. The gentleman knows that the present bill is a compromise, and certainly I cannot answer his question without going into considerable more detail with respect to the whole proposition.

Mr. KOPPLEMANN. And yet the gentleman is in favor of this measure and was in favor of the Federal Deposit Insurance Act.

Mr. HOLLISTER. As to the measure now before the committee, I am decidedly in favor of it.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. I yield.

Mr. CRAWFORD. In view of the fact that this section of the act expires on July 1, 1938, do we understand that if, say, on August 31, 1938, a bank, the deposits of which are insured by the F. D. I. C., gets into trouble or is closed, we will say, or becomes insolvent, the F. D. I. C. will then not have an opportunity or be authorized by law to take over the assets of that bank in order to reduce the losses that might occur?

Mr. HOLLISTER. It would not be able to proceed under this section, but let me say to the gentleman that he knows, of course, as well as I do, that there will be two sessions of Congress before July 1, 1938. I personally would have preferred to have this extension made only to July 1, 1937, as it is still in the experimental stage, perhaps, but 2 years is certainly sufficient, and much better than making it permanent, because making it permanent would make it very hard to change the law.

Mr. CRAWFORD. The thing I was trying to clear up in my own mind is that this is not what we might call emergency legislation, but is something to go along with Federal deposit insurance as time indicates the way it should travel.

Mr. HOLLISTER. It has worked out very satisfactorily so far as to this particular section, and the directors have asked that it be extended for a certain length of time. I see no need to extend it beyond that time, because there will be two sessions of the Congress in the meanwhile.

Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Chairman, I ask unanimous consent to extend my own remarks in the RECORD and include therein a speech delivered by me before the John Marshall Club in St. Louis on April 4.

The CHAIRMAN. Without objection, it is so ordered.

THE ROAD WE ARE TRAVELING

Mr. WADSWORTH. Mr. Chairman, under the leave to extend my remarks in the RECORD, I include the following speech which I delivered on April 4, 1936, before the John Marshall Club of St. Louis, Mo.:

When one looks back to March 4, 1933, and attempts to review the events which have transpired since that day—and it is a terrific job—one cannot help being impressed by one fact, and that is that not once during this hectic period have the President or any of his principal lieutenants used the word "thrift." I submit that the omission of that simple word from the New Deal vocabulary is significant. It denotes a habit of thought; it helps to identify a philosophy. Let us look into it for a moment. For generations the average American has lived in the belief that the best measure of security he could achieve for himself and his family must come from his own efforts. If he were wise and provident, he tried to put away savings against a rainy day. He preferred to depend upon himself rather than upon government, and in doing so he enjoyed a degree of satisfaction which in itself became a spiritual asset of great value. It is fair to say that the American conception of life has, generally speaking, been built upon such a foundation. The New Deal offers no encouragement to such a conception. Directly, or by implication, it preaches the doctrine that security from the cradle to the grave should be conferred upon the individual largely by an all-wise and all-powerful Government. The Government's function in this respect is implied in several phrases which have come to our ears during the last 3 years. I shall mention but two of them. The President uses the term "planned economy." His chief lieutenant, Dr. Tugwell, mentions a "disciplined democracy." These two phrases, together with others of a like nature used frequently by the President and his principal supporters, indicate very clearly what they are driving at. And, moreover, a long succession of legislative enactments, many of them contrived to plan the economy of the people and to discipline them under governmental control, completes the vivid picture. The element of thrift does not appear in that picture at all, whether it be governmental thrift or thrift exercised by the individual.

You may think that I am placing too much importance upon this matter and that I am allowing myself to reach an unwarranted conclusion. Nevertheless, I entertain the belief that, through the omission of any appeal for thrift, it is expected that the individual will the more easily drift into a state of dependence upon government and acquiesce finally into becoming its disciplined subject. You may doubt that there is any such intention in the mind of the President and the new dealers, but make no mistake about it—that is the road along which the American people are traveling today. Whether we think it wise or unwise to pursue such a course, it must be conceded that it is not the American way; that it closely parallels the modern European way—the way of Hitler and Mussolini. The public appeals, the lingo, the phrases, the signposts are all alike. A comparison of Fascist, Nazi, and, indeed, Communist writers with the utterances and writings of the apostles of the New Deal in America exposes a startling similarity. I want to call your attention to an element ever present in the European picture. It is the element of force—force applied against the individual in order to compel his obedience to the plans of government—and to remind you that we have already encountered that same element here in the United States. In fact, it threatened to dominate our lives until of a sudden it was wiped out, for the time being at least, by the Supreme Court of the United States. What do I mean by this? Obviously, if the Government is to plan the way in which people are to earn their living, it cannot permit any individual or group of people to deviate from the path marked out for them lest the whole plan of the Government break down. To save the plan obedience is demanded, and if obedience is lacking then force must be employed. That is inevitable. In other words, our democracy must be disciplined and a bureaucratic Government at Washington must perform the functions of a policeman. Some people will say, "It can't happen here", using the title of Sinclair Lewis' recent book.

The answer is, it has already happened here in several different ways—this employment of force against the individual who declines to earn his living in a way prescribed. We found it in the famous N. R. A. codes as expounded and applied in the thunderings of Gen. Hugh Johnson. Those pseudo laws contained provisions to the effect that if the people engaged in a certain industry or in the performance of a certain service charged a price for their goods or services different from that fixed in the code, or, in some cases, if they produced and sold more than the quantity fixed in the code, they were to be punished through prosecution, finally, in the Federal courts with fines, and, if they proved obstinate, with imprisonment. Some unsuspecting individuals were actually thus punished, and a large number of prosecutions were pending in the Federal courts when the Supreme Court, in the case of Schechter, the Brooklyn chicken merchant, stepped in and reminded the administration and the country that under the supreme law of the land—the law which is above Presidents and Congresses—the Federal Government has no power to do such things. Thus, in one field, the field of industry, the element of force was withdrawn for the moment. This unanimous decision of the Court tended to clarify the hitherto confused thinking of a great many people and to bring them to a better realization of what this movement really means. It did not, however, deter the President from his determination to go ahead with it. Indeed, he protested against the decision and made perfectly clear his inten-

tion to establish his kind of government in America even though he resort to roundabout paths. As an example of this continued effort, I cite a measure now pending in the House of Representatives known as the Walsh bill, a bill which has already passed the Senate. It provides, in effect, that every contractor furnishing material or supplies to the Government must, as a condition of his contract, conduct his business in accordance with codes prescribed by the Government. More than that, this obligation to comply with Government-made codes extends to all subcontractors and to their subcontractors in turn.

In fact, under this proposed law an N. R. A. code system would extend through all processes of production from raw material to finished product. Consider the ramifications of this thing. The Government purchases thousands and thousands of different articles and enters into contracts for the erection of scores of different sorts of structures. Take an Army post, for example. It is like a small town. To build it, stone, cement, brick, steel, lumber, and plaster are needed. The codes will apply to the people supplying those materials and to the subcontractors from whom they are obtained. To equip the post, heating plants, power plants, plumbing fixtures, electric lights, telephone, and other installations are required. The men who furnish them must all be under the code. Among the necessary expendable articles are sheets and pillow slips, mattresses, blankets, and towels. Thus practically the whole textile industry is involved. The soldiers must be clothed with underwear, outer uniforms, shoes, overcoats, and hats. The soldiers must be fed bread, beef, butter, fruits, vegetables, coffee, tea, sugar, and other articles of food. The kitchens must be equipped with ranges and kitchen utensils. The messroom tables must be set with china and glass and tin. The hospital must be supplied with medicines, surgical instruments, and appliances. Under this Walsh bill every person who furnishes any one of these articles (and I have scarcely scratched the surface) and every person from whom he purchases them in semimanufactured form or in the form of raw material must bow to the will of the code authority established in Washington. One could tell a similar story about the building and equipment and maintenance of a battleship. Suffice it to say that if the Walsh bill should be passed you would find for all practical purposes N. R. A. reestablished, despite the decision of the Supreme Court. And, mark my words, if this administration is given another 4 years to work its will, the Walsh bill will pass and "crack-down" tactics will be employed once more.

Following the collapse of N. R. A., the famous Triple A attracted more and more attention. It was the companion piece to N. R. A. and potentially affected all agriculture. Under that extraordinary law the Government resorted to two weapons to secure obedience. With one hand it sought to purchase obedience by the payment of money to farmers as a reward for running their farms in the way the Government wanted them run. And it taxed another part of the people in order to pay the bill. With the other hand it employed force to compel obedience in certain branches of agriculture. For example, if a cotton farmer presumed to raise and sell more bales of cotton than the Secretary of Agriculture allowed, and did so without paying the prohibitive tax sought to be imposed upon him, he could be prosecuted, and, upon conviction, fined or sent to jail. Next door to the cotton farmer is the tobacco farmer. Idle cotton acres were transferred to the raising of tobacco, with a resultant increase in the supply and decrease in the price. So the Tobacco Control Act was passed, and in it we found again the element of force imposed in just the same way. Idle cotton lands and idle tobacco lands were transferred to the raising of potatoes, with the inevitable result that potatoes flooded the market and the price per bushel reached a pitifully low figure. Then came the famous Potato Control Act, under which it was actually provided that no person in the United States should raise and sell in the crop year of 1936 more than five bushels of potatoes without the permission of the Secretary of Agriculture. That laughable law clothed the Secretary with power to tell everybody just how many bushels he might sell, and if a grower presumed to sell more potatoes than his permit provided for and failed to pay the prohibitive tax, he could be fined for the first offense and sent to jail for a year for the second offense. And then to make assurance doubly sure, the law provided that the purchaser of illegal potatoes, whether individual housewife or wholesale dealer, was to be held equally guilty with the seller. On second offense they were to go to jail together. Some potato growers were looking forward to the prospect of living at the expense of the community in the very pleasant company of their purchasers. But the Supreme Court once more reminded the administration and the country that the Federal Government has no power to do these things, and the country got an even better understanding of what it is all about.

Now, one would suppose that with the collapse of the old Triple A, with the failure of this particular attempt to regiment all industry and all agriculture, the President and his advisers would desist. Not so. They are today just as intent upon putting their theories into practice as they ever were. In the field of agriculture they have dressed up the old Triple A in a new suit of clothes labeled "Soil Conservation and Prevention Erosion." The new act has reached the statute books. Concededly it will involve the expenditure of \$500,000,000 during this crop year—just in time for the elections. The money is to be spent to purchase compliance with the Government's plan to regulate agriculture. And please remember that the Secretary of Agriculture can do anything he pleases in pouring out this money. Call it what you will, it is merely another attempt to control the production of the soil by artificial means. Sooner or later the whole thing will break down.

Perhaps I can illustrate the reason. Let us visualize the agricultural production of the country as confined in the form of gas within a toy balloon. The surface of the balloon is marked out and divided into a number of areas, each labeled with the name of a certain crop. Along comes a professor and says we have too much cotton, and he takes his thumb and presses inward on that portion of the surface labeled "cotton." He makes a dent in it and sighs with satisfaction. Strange to say, the balloon bulges out at another point on its surface labeled, we will say, "tobacco." So the professor takes his other thumb and pushes in at that point. He makes another dent. The two indentations result in an extension of the balloon at the point marked "potatoes." That is disconcerting, but it must be stopped; so he summons another professor and gets him to push his thumb in at the potato point. Each indentation produces another swelling. It may be cabbages or fruits or onions. Who can tell? Whatever it is it is inevitable that once you start such a process and are determined to adhere to it you must follow it to its bitter end, at which point the pressures upon the balloon, each of them representing the employment of force, become so numerous that finally the balloon bursts. It may take years, but we will learn the lesson eventually. In the meantime, it will cost billions of the taxpayers' money.

The most precious things in life are the things of the spirit. Such is liberty. Men have struggled for it for centuries. In its best sense it is enjoyed here in America today to a degree never before equaled in all history. You and I know that the laborer, the clerk, the shopkeeper, the merchant, the small-business man cherishes liberty in his heart, for he knows that only through freedom from oppression may he work his way upward. And there is no man on God's footstool who loves liberty as does the farmer. Farming is more than a mere business; it is a habit of life. A good farmer reads and studies that he may be the better prepared to do battle with the elements, to understand the soil, the seed, the crops as they grow, the animals as they develop. He plans his work months ahead and lives with it day and night. He loves it and refuses to abandon it except under dire compulsion. Take away his independence and you have reduced him to the status of serfdom and have destroyed his very soul. Many of them today have little left except that independence. If they would preserve it as a spiritual asset let them beware of becoming the habitual recipients of governmental subsidy, and, finally, the victims of force. I shall be entirely frank about this farm problem. I do not believe that the Congress, or any other power, can circumvent economic law. I do not believe that agriculture can be placed upon a stable and prosperous basis by the employment of artificial devices. As to four or five crops we produce more than we consume. True, a great expansion in some crops resulted from the World War with its insistent demand for more and more food and its resultant high prices. I admit that to readjust the structure following the collapse of prices after the war is difficult at best, but I insist that that readjustment can be brought about the more quickly by reopening the doors of foreign trade. Only through exports can we hope to dispose of our surplus of cotton, wheat, tobacco, and hogs. As we look across the world today we find it divided into something resembling trade-tight compartments. Many nations in a frame of mind made desperate by the destruction of property and the dislocation of commerce incident to the war, have erected around their borders barriers against imports of one sort or another—tariffs, quotas, restrictions, unwarranted quarantines—in the hope and belief that a nation can live its own life prosperously in the economic sense.

I can understand how desperate people may resort to the weapons of economic nationalism, but I am convinced that in the long, long run those weapons cannot prevail against the stern insistence of economic law. The thing has been overdone. Perhaps we ourselves are guilty somewhat. At any rate, the whole world is suffering as a result, and among the sufferers is the American farmer. The situation is made more acute by reason of the fact that we have become the great creditor nation of the world, as contrasted with our aforesaid position as a debtor nation. As a creditor we may not expect the payment of debts due to us unless we permit the debtor to do business with us to a reasonable extent at least. A protective-tariff system is the legitimate weapon of a debtor nation. We employed it and as a result have built up a marvelous industrial structure and a standard of living never approached in the history of the world. I would not lower that standard of living nor undermine that industrial structure. I still believe in a protective tariff, but I would adjust it to meet our changed conditions, provided—and this is vital—other nations make similar adjustments along with us and thus enable us to preserve our standards. Let us remember that those standards are not to be measured by the number of 59-cent dollars contained in the pay envelope but rather by what those dollars will purchase. Obviously, no such thing as this can be done overnight nor should it be done with an axe. If done at all, it must be done slowly and patiently and in cooperation with others of like mind. Furthermore, it must be done by acts of Congress, out in the open where everybody can see what is going on. The present administration has not had the courage, despite its huge majorities in both Houses, to tackle the thing, and has preferred to nibble at it in the dark, behind closed doors, without giving either the farmer or the industrialist a decent hearing. As a matter of fact, in the trade agreements thus far reached through the star-chamber process the farmer has gotten distinctly the worst of it. You may say that I am suggesting a long and difficult road, but I say to you in all earnestness that I'd rather my country traveled such a road than that her form of government under the Constitution be abandoned and her people, and especially her farmers, surrender their liberty to the tender mercies of a giant bureaucracy.

While we are trying to look ahead let us give consideration to another element in the future. The Government is going on with its spending program. Something like 60 cents out of every dollar it spends is borrowed. By the end of this calendar year the national debt will have reached the neighborhood of \$35,000,000,000. Not a word is being said about thrift. If our present generation is to acquiesce in this financial debauch which involves, inevitably, the continued piling up of debt and the increasing of taxes, what of the next generation? Should we not concern ourselves about the youth of today, those young men and young women who, a few years from now, will be carrying the burden and who, in the ordinary course of nature, will carry it for something like 40 working years of their lives? Already the sum total of taxes in this country exceeds 25 percent of the total income of the country. Already the national tax bill equals the national food bill. Actually we are paying as much for government as we are paying for our daily bread. What will the percentage be if this orgy goes on for another 4 years? Those of us who have passed the half-century mark can probably stagger along for the rest of our journey, but what of the men and women of tomorrow? Is it not inevitable that taxes will absorb all their savings? Do not pending tax proposals relative to the taxation of the surplus of corporations lead in that very direction? Of what avail is thrift if the possessor of that quality, the truly forgotten man, is to be destroyed? I venture the assertion that if this present program of Europeanizing the United States and this orgy of expenditure were abandoned this very night, even then the burden which must be borne by the next generation will be well-nigh unbearable. How any young person just coming out of high school or college can view the future with anything but concern approaching dismay passes my comprehension.

It may be that the idea prevails here and there that these debts need never be paid; that they can be repudiated in whole or in part; that by some device other than the imposition of more taxes the Government can find a way to pay them. Repudiation is dishonor and brings economic and spiritual collapse to the people that indulges in it. The device is currency inflation, another form of repudiation, which, once started, drags the whole population over the precipice. And, gentlemen, we have only to observe what has happened in Europe in the last 15 years in order to learn that the complete collapse of an economic system, with all its distress and desperation, inevitably results in a similar collapse of political institutions. If one goes the others go. Thus democracy is perishing in Europe. I appeal to the young people of today to understand that this dollars-and-cents side of government may become of vast importance, not only with respect to the material things of life but actually with respect to the preservation of their very liberties. Indeed, I make my first and last appeal to youth, and I ask, "Are you going to stand for this?" If not, then you must use the only political instrument that lies ready to your hand—the Republican Party. Go to its leaders, go to its elderly members, if you please, and insist that the party face this situation bravely; that it meet all these issues out in the open without evasion, without pussy-footing; that it put aside considerations of merely local political advantage and devote itself to national service. In a word, that it fight to save this country. Only in this way shall we continue our journey along the American road.

The Clerk, proceeding with the reading of the bill, read as follows:

Resolved, etc., That paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended, is amended by striking out "July 1, 1936" and inserting in lieu thereof "July 1, 1938."

Mr. MICHENER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 1, line 2, after the comma on line 2, strike out the remainder of the resolution and insert in lieu thereof the following:

"That paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended, be amended to read as follows:

"(4) Until July 1, 1938, whenever in the judgment of the board of directors such action will reduce the risk or avert a threatened loss to the corporation and will facilitate a merger or consolidation of an insured bank, or will facilitate the sale of the assets of an open or closed insured bank to and assumption of its liabilities by another insured bank, the Corporation may, upon such terms and conditions as it may determine, make loans secured in whole or in part by assets of an open or closed insured bank, which loans may be in subordination to the rights to the depositors and other creditors, or the Corporation may purchase any such assets or may guarantee any other insured bank against loss by reason of its assuming the liabilities and purchasing the assets of an open or closed insured bank. Any insured national bank or district bank, or, with the approval of the Comptroller of the Currency, any receiver thereof, is authorized to contract for such sales or loans and to pledge any assets of the bank to secure such loans."

Mr. MICHENER. Mr. Chairman, the amendment I have offered simply carries out the mandate set forth in the resolution presented by the committee. The resolution provides that something be done to the statute, to wit, that it be amended by doing certain things. The resolution which I have offered carries out the desire of the committee as

expressed in the resolution which they have brought to the floor of the House.

No new language is added to paragraph (4) of subsection (n) of section 138 of the Federal Reserve Act other than to substitute "July 1, 1938" for "July 1, 1936." I offer the amendment and hope it will be accepted.

For the last couple of years it has been the custom of certain departments to send legislation drawn in this manner to the committees of Congress. Some committees apparently are afraid to change the form, and this custom is liable to become a fixed habit and should be stopped now. No draftsman or other person familiar with the matter will take any other view.

Mr. GOLDSBOROUGH. Mr. Chairman, the amendment offered by the gentleman from Michigan conveys exactly the same meaning as the joint resolution which has passed the Senate and is now under consideration in this body. The Senate Committee on Banking and Currency saw fit to use the language employed in the resolution, which serves every conceivable purpose. There is absolutely no difference between this resolution and the amendment offered by the gentleman from Michigan except that he uses more words. The resolution is in the usual form of resolutions of this kind offered by the Committee on Banking and Currency of the Senate and the Committee on Banking and Currency of the House. The language is entirely satisfactory to both committees. Both committees feel that they are fully competent to pass upon the meaning of a simple resolution, and we ask that the amendment be voted down. If the amendment should be adopted, the bill would have to go back to the Senate.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

The CHAIRMAN. Under the rule the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CROWE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration Senate Joint Resolution 230, and, pursuant to House Resolution 485, he reported the joint resolution back to the House.

The SPEAKER. Under the rule the previous question is ordered. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, and was read the third time.

The SPEAKER. The question now is on agreeing to the Senate joint resolution.

The Senate joint resolution was agreed to.

A motion to reconsider the vote by which the joint resolution was agreed to was laid on the table.

A similar House bill was laid on the table.

AMENDING THE FEDERAL HIGHWAY ACT

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 484, which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 11687, a bill to amend the Federal Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Roads, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR: Page 1, line 8, strike out the word "two" and insert "one."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. O'CONNOR. Mr. Speaker, if the gentleman from Pennsylvania [Mr. RANSLEY] does not desire any time, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. CARTWRIGHT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 11687) to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 11687, with Mr. SCRUGHAM in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. CARTWRIGHT. Mr. Chairman, the action that is taken by the present Congress upon the bill now under consideration—H. R. 11687—will determine whether the national-highway program for the next 3 years will be progressive and of the greatest possible benefit or whether an uncertain, hand-to-mouth policy must be pursued by the various State highway departments.

It is true that the highway program for the next fiscal year is not directly involved in this bill, but the sound, economical planning of road building is a long-range task. Construction programs for 1937 will be affected by action on this bill, because this action will tell the States whether they can operate under a stabilized 3-year program or whether they must lay out their construction schedules on a 1-year basis.

For the purpose of emphasizing the fundamental necessity of giving immediate and favorable consideration to H. R. 11687, I remind you that the American system of developing highways is a Federal-State road-building partnership. The Federal Government sets the pace by authorizing and allocating Federal-aid funds that are matched by the States. In order to make their highway program function most efficiently, the States must know in advance what the Federal Government intends to do.

Forty-four of the State legislatures will convene next January, and 40 of these legislatures will not meet again in regular session for 2 years. Hence, unless Federal aid is authorized as provided in the bill now before us, these 40 States will not be able to make provisions for continued highway programs with confidence that they are in step with the Federal Government.

The present bill does not make an appropriation. It is simply an authorization, providing the legal framework for a continued Federal-State highway program, but leaving the State provisions and supervision up to the various States themselves. The history of road building in America since the enactment of the first Federal-aid act in 1916 proves that the States are diligent in matching Federal funds.

In considering the necessity for a continued highway program we should keep in mind three major features of road-building operations: (1) The imperative need for more and better roads to accommodate the Nation's ever-increasing motor-vehicle traffic; (2) the absolute necessity of providing maximum employment at the present time; and (3) the fact that highway users themselves more than pay for all road construction and maintenance.

Information presented by the most competent highway authorities at committee hearings on this bill supplied conclusive evidence that interruption of an adequate highway program would be an outright menace to motor-vehicle transportation in America.

The latest official figures show that there are approximately 3,068,000 miles of rural roads in America. Of this total, State systems, including Federal-aid systems, compose approximately 324,000 miles at the beginning of 1935. An additional 170,244 miles of secondary roads were under State

control in 14 States. Only slightly more than 160,000 miles of highways outside of municipalities are hard-surfaced. Approximately 900,000 miles have received low-cost improvement of some kind. From these figures it is evident that approximately 2,000,000 miles of rural roads in America have received no improvement whatsoever other than the hand-method, makeshift type of work that is done by individuals and communities directly concerned. With these facts before you, it is plain to be seen that highway improvement in America is in its infancy, and no person familiar with mud-road conditions that prevail in most rural communities would take the position that there can be any interruption of the national highway program.

Hon. Thomas H. MacDonald, Chief of the United States Bureau of Public Roads, has furnished me a report showing that, of the \$125,000,000 approved under the 1936 Federal-aid program, the States had, as of April 13, submitted and received approval of programs totaling \$102,840,000, of which \$74,512,000 was obligated or under contract. Corresponding progress is being made with works program highway funds, and favorable progress also being made with works program grade-crossing funds. I am submitting for the RECORD a tabulation showing the status by States of these various highway appropriations, together with a summary of the program for the last 3 years.

Summary status of Federal highway funds as of Mar. 31, 1936

Appropriation	Number of projects	Estimated total cost	Federal funds allotted	Miles
Plans and estimates approved:				
Regular Federal aid.....	244	\$21,940,685	\$11,005,495	966.6
Public works, 1934 and 1935.....	110	4,468,139	3,625,804	144.0
Works program:				
Highways.....	871	29,574,423	28,686,885	2,246.9
Grade crossings.....	311	26,445,358	25,122,619	178.7
Total.....	1,536	82,428,605	68,440,803	3,536.2

Summary status of Federal highway funds as of Mar. 31, 1936—Continued

Appropriation	Number of projects	Estimated total cost	Federal funds allotted	Miles
Contracts awarded not yet under construction:				
Regular Federal aid.....	296	\$22,354,004	\$11,232,920	903.8
Public works, 1934 and 1935.....	214	4,744,265	3,996,935	146.9
Works program:				
Highways.....	938	25,005,234	24,029,159	2,284.8
Grade crossings.....	242	15,841,412	15,160,057	214.1
Total.....	1,690	67,944,915	54,419,071	3,549.1
Under construction:				
Regular Federal aid.....	883	84,966,516	44,585,941	3,689.2
Public works, 1934 and 1935.....	943	59,593,111	55,084,689	1,678.7
Works program:				
Highways.....	1,576	77,957,558	75,907,907	5,146.3
Grade crossings.....	500	47,018,811	46,196,527	390.6
Total.....	3,902	269,535,996	221,775,064	10,904.8
Completed:				
Regular Federal aid.....	246	10,645,760	5,678,463	1,065.8
Public works, 1934 and 1935.....	12,744	599,158,957	520,417,724	33,259.6
Works program:				
Highways.....	88	1,603,972	1,590,144	283.1
Grade crossings.....	8	369,023	368,719	24.9
Total.....	13,086	581,777,712	528,055,050	34,633.4

SUMMARY

Appropriation	Amount	Unprogrammed balance	Unobligated balance
Regular Federal aid.....	\$125,000,000	\$19,035,452	\$49,372,181
Public works, 1934 and 1935.....	600,000,000	415,000	10,874,848
Works program:			
Highways.....	200,000,000	17,810,268	64,785,905
Grade crossings.....	200,000,000	17,269,359	109,152,078
Total.....	1,125,000,000	54,530,079	234,185,012

Summary of funds apportioned to all States—Status as of Apr. 1, 1936

	Emergency relief highway funds		Emergency relief grade-crossing funds		1936 Federal-aid funds		Public-works funds (1935)		Public-works funds (1934)		Total	
	Not programmed	Balance of funds available for new projects	Not programmed	Balance of funds available for new projects	Not programmed	Balance of funds available for new projects	Not programmed	Balance of funds available for new projects	Balance of funds available for new projects	Not programmed	Balance of funds available for new projects	
Alabama.....	\$216,815	\$488,589		\$360,820	\$2,604,320	\$2,604,320		\$264,541	\$36,488	\$2,821,135	\$3,754,758	
Arizona.....		543,984		543,872		96,931		48,597	8,031	96,931	1,356,441	
Arkansas.....		580,778		1,522,902	2,142,723	2,142,723		56,798	104,377	2,142,723	4,407,578	
California.....	1,800,350	2,240,034		1,712,181	602,757	1,594,107		31,986	5,522	2,403,107	5,583,830	
Colorado.....		1,622,340	\$1,393,167	1,536,024	527,326	943,182		33,421	43,099	1,920,493	4,178,066	
Connecticut.....		1,123,931		1,712,684	2,854	228,104		86,551	40,661	2,854	3,191,931	
Delaware.....	71,509	330,227	315,014	418,239	335,179	369,179				721,702	1,117,645	
Florida.....		460,998		1,169,882		1,138,923		91,702	43,435		2,904,920	
Georgia.....	2,359,767	4,252,277	1,843,510	4,540,510		1,963,226	\$415,000	1,160,864	289,481	4,618,277	12,206,358	
Idaho.....		824,868		822,388		382,362		61,215	24,023		2,114,856	
Illinois.....		1,925,173		5,466,223		1,613,379		288,938	111,891		9,405,604	
Indiana.....		142,059	322,670	1,854,671		45,100		61,270	126,367	322,670	2,229,467	
Iowa.....	664	2,443,865		3,407,429		289,900		44,848	2,101	664	6,188,143	
Kansas.....	534,601	534,601		728,299	660,553	1,389,153		17,547	15,589	1,195,154	2,685,189	
Kentucky.....	501,171	1,059,648	298,862	1,605,133	160,553	548,243		88,899	48,269	960,586	3,250,192	
Louisiana.....		2,139,293		2,158,265	130,802	462,852		183,827	61,504	130,802	5,005,741	
Maine.....		199,243	112,389	820,573		203,638		57,218	29,786	226,250	1,310,458	
Maryland.....	794,753	1,296,353	193,973	1,058,973		1,025,870		498,782	65,166	988,726	3,945,144	
Massachusetts.....	298,885	3,145,285		3,254,595		1,574,909		340,250	113,198	298,885	8,428,237	
Michigan.....		138,773		1,529,445		286,188		38,631	29,511		2,022,548	
Minnesota.....		1,757,743	58,950	3,968,575		1,009,950		260,583	125,579	58,950	7,122,430	
Mississippi.....		535,672		1,446,909	2,196,524	2,196,524		66,872	121,836	2,196,524	4,367,813	
Missouri.....		1,912,833		1,867,428	47,121	1,464,152		29,505	102,986	47,121	5,376,899	
Montana.....		253,334		115,424		36,543		123,984	100,457	36,543	758,867	
Nebraska.....	331,785	1,045,648	225,043	1,426,085	1,130,173	1,681,173		8,870	33,056	1,087,001	4,195,432	
Nevada.....		620,868		505,292	1,435	541,662		35,388	29,481	1,435	1,732,691	
New Hampshire.....	52,020	463,577	34,469	599,953	147,030	164,530		31,720	396	233,519	1,260,176	
New Jersey.....	106,040	1,403,686	685,057	2,926,790		42,514		185,774	168,421	791,097	4,727,185	
New Mexico.....		574,853	174,753	1,046,760	31,116	471,024		91,624	160,389	205,869	2,344,650	
New York.....	187,458	2,377,379	1,331,189	6,916,194	44,202	1,168,034		70,540	54,421	1,562,849	10,586,568	
North Carolina.....	1,830,832	1,830,832	1,729,162	3,426,989	402,362	1,827,562		79,000	316,815	3,962,356	7,481,198	
North Dakota.....	1,348,036	1,842,772	2,407,057	2,784,557	1,960,162	1,960,162		614,221	121,863	5,715,255	7,323,575	
Ohio.....	1,028,414	3,598,159	96,799	7,611,349	102,289	1,898,478		165,526	47,051	1,227,502	13,320,563	
Oklahoma.....	31,311	1,523,043		3,246,101	102,519	1,708,870		240,629	9,034	133,830	6,725,677	
Oregon.....		730,046		789,082		164,051		90,725	66,377		1,841,181	
Pennsylvania.....	1,907,461	7,517,529	893,359	9,127,890	108,045	1,627,945		385,692	262,716	2,910,865	18,921,772	
Rhode Island.....		190,261		43,122	609,375	609,375		26,050		609,375	868,808	
South Carolina.....		1,222,034	1,468,598	1,985,598	1,667,503	1,667,503		423,529	175,126	3,812,135	5,473,790	
South Dakota.....	313,621	1,356,621	412,729	2,664,829	784,142	1,444,072		103,259	163,579	1,510,492	5,732,360	
Tennessee.....	2,133,032	2,133,032	2,513,632	3,294,647	1,765,893	1,853,393		139,310	1,325	6,412,557	7,421,707	
Texas.....		1,541,183		6,206,774	51,870	2,176,393		112,003	61,024	51,870	10,997,377	
Utah.....		847,252		709,762		171,814		2,081	32,291		1,763,200	
Vermont.....		120,444		218,892	2,532	8,625		4,456	121	2,532	352,538	
Virginia.....	1,198,517	1,198,517		2,442,082	422,791	1,007,861		238,588	73,633	1,621,308	4,960,681	
Washington.....		542,242	197,520	1,341,585	12,638	390,438		31,350	17,333	210,458	2,322,948	

Summary of funds apportioned to all States—Status as of Apr. 1, 1938—Continued

	Emergency relief high-way funds		Emergency relief grade-crossing funds		1936 Federal-aid funds		Public-works funds (1935)		Public-works funds (1934): Balance of funds available for new projects	Total	
	Not programmed	Balance of funds available for new projects	Not programmed	Balance of funds available for new projects	Not programmed	Balance of funds available for new projects	Not programmed	Balance of funds available for new projects		Not programmed	Balance of funds available for new projects
West Virginia.....	\$65,001	\$387,473	\$100,350	\$2,483,396	-----	\$380,908	-----	\$116,845	\$43,902	\$225,351	\$4,412,524
Wisconsin.....	-----	600,220	87,883	2,612,883	-----	1,553,997	-----	67,422	40,052	87,883	4,939,574
Wyoming.....	22,191	319,852	237,770	1,059,179	\$3,101	18,695	-----	35,773	20,745	263,042	1,454,244
District of Columbia.....	-----	10,660	-----	5,491	-----	-----	-----	35,904	8,885	-----	60,940
Hawaii.....	-----	275,821	73,174	153,877	23,227	476,493	-----	35,607	8,740	101,401	950,538
Total.....	17,810,268	64,785,905	17,269,359	109,152,078	19,035,452	49,372,181	\$415,000	7,308,715	3,566,133	54,530,079	234,185,012

Mr. MacDonald stated that all present available funds are being taken up by approved plans and the awarding of contracts at a rate which will exhaust them, or largely exhaust them, within the coming year, being now allocated at the rate of about \$1,000,000 a day. The authorization for \$125,000,000 of regular Federal aid is the same amount that is now in force. This bill does not increase the authorization, although the needs might justify such a course of action on the part of the Congress.

I think it timely that I repeat to you one very significant statement made by Mr. MacDonald. He said:

The reasonable limit I suggest for Federal-aid appropriations is the amount necessary to give direction and to keep on a uniform basis the methods of utilization of the funds that are coming to the Public Treasury, both State and Federal, from the road users.

The bill now under consideration is squarely in line with the recommendation thus made by the Chief of the Bureau of Public Roads. It does not propose to authorize more Federal funds than the States will match from revenues derived from gasoline taxes and motor-vehicle license fees. In fact, as I shall show presently, these taxes and fees greatly exceed the amount now being expended for highway construction and maintenance.

There are approximately 26,000,000 motor vehicles in use in America today. The number is increasing at a record-breaking rate. A press report from Detroit on April 13 stated that new passenger-car sales during the month of March totaled 300,000 units, the highest figure for March in all history, with the exception of 1929. Trucks and commercial cars for the month totaled 52,000 units, according to this same report, exceeding any previous March figure.

I cite this information to show that the trend in America is toward more motor vehicles, with the direct resulting demand for more and better highways.

Safety of the American motoring public makes a continued highway program necessary. The traffic toll is nothing short of alarming. Modern automobiles are safe when operated by careful drivers over safe roads. Safety has been built into the automobile. It must be built into more and better roads.

From the standpoint of adequacy or safety of highways, it is essential that I quote to you another statement made by Chief MacDonald. He said:

In the States that are commonly referred to as having completed their roads, there are some of the most difficult and expensive problems ahead that we have anywhere in the United States. Many miles of the roads in the Eastern States, or in the States east of the Mississippi River, were completed 10, 15, or 20 years ago. Many of them are still horse-and-buggy roads. In those States a large mileage of main roads are just as far from being complete as in the new State systems.

You will observe that the present bill authorizes \$25,000,000 for 1938 and a similar sum for 1939 for secondary or feeder roads, these sums to be matched by the States. This is the first time such a proposal has been incorporated into a Federal-aid bill. It is true that Federal funds are being applied to secondary roads under rules and regulations governing the expenditure of the current works program highway funds, but that was under a temporary legislative enactment applying only to the emergency fund. There is a widespread and well-founded demand for ex-

tension of Federal aid to the secondary or farm-to-market road system. It is apparent that improvement of secondary roads cannot await completion of the primary highway system for the reason that the primary system never will be completed. Highway improvement is a permanent, ever-continuing task. Roads that are adequate today will have become obsolete before enough mileage is completed to serve present and future demands. Hence, it is necessary that organized Federal-State improvement must be extended to secondary roads simultaneously with development of the primary system.

For the first time in regular Federal-aid legislation provision is made in this bill for a separate and definite amount for grade-crossing elimination and protection. Out of the emergency funds now available there was an amount of \$200,000,000 set aside for this purpose. These funds will be entirely exhausted in 1937, hence this bill makes provision for 1938 and 1939, although for a greatly reduced amount.

The State highway departments informed us at the hearing held on this bill that during the past year they eliminated 480 railroad crossings in the various States, but they also informed us that there still remained 17,879 railroad crossings on the State highway systems and 120,670 crossings on the county and township systems. While it is realized that all of these crossings will not be eliminated, at least not for many years to come, the task before us is quite evident, and the seriousness of the situation demonstrates to us that the task is large and must be met. These funds need not be matched by the States.

Before passing to other phases of this subject, permit me to mention a few of the accomplishments of Federal aid as it has been operated in conjunction with the States.

The administration of Federal aid for highways has provided the instrument through which the country has benefited far more than by the actual roads and bridges constructed. It has provided the engineering and administrative backbone about which all of our progressive highway policies for almost two decades have been developed. Without the incentive for definite planning set up by Federal aid working through the United States Bureau of Public Roads, we as a nation should have wasted many years and much money in trying to get our highway systems on a rational basis.

Prior to the advent of Federal aid we were working in an aimless, hit-or-miss fashion. Roads were improved, or not, at the dictates of local expedience with no thought of their relationship to the broad problem of supplying an integrated system of highway arteries. This was true even within the local units such as townships and counties and was much more true with respect to the States. No other move of any kind had been made to provide such a system on a national basis.

In appraising the cost of Federal aid it is well to remember that the operation of Federal aid control in road building has resulted in actual savings on construction work of sums far in excess of the portion set aside from year to year to assist the States. Policies governing design, construction material, bidding, award of contracts, all worked out jointly by the several States and the United States Bureau of Public Roads, have put road building on a basis comparable with the best business methods and the best business practice.

As a factor in employment the highway industry, including all allied operations, holds first place among American industries. The latest statistics on this subject show that 1 person out of every 10 employed in the United States is employed in some phase of highway construction, highway transportation, or occupations directly relating to them. When we consider that the gigantic automotive industry, petroleum industry, and a multitude of other industries are directly or indirectly dependent upon highway development, we can readily see that any interruption of the highway program would prove disastrous to millions of workers.

From 85 percent to 90 percent of every dollar used in highway construction goes into pay rolls, either directly on the construction job or in the production of equipment and materials, and the transportation of these products to points where they are needed. Direct employment provided by highway construction exceeds the number of jobs provided by any other form of public works, and it is the most popular form of public works, and the number of workers indirectly employed exceeds the number directly engaged on the highway construction job. The most severe blow that could be delivered to American industry today would be the failure of the bill now before us.

Furthermore, and of vast importance to the American public, is the fact that highway users pay for all highway development. Let us consider the figures on Federal-aid highway expenditures for the last 3 years and the Federal tax income from motor vehicles and gasoline for the same period. Federal-aid expenditures for 1933 totaled \$165,868,106, while Federal revenue derived from motor vehicles and gasoline totaled \$173,967,660; expenditures for 1934 were \$224,488,814, while revenue from the above-mentioned sources was \$298,731,067; for 1935 expenditures were \$277,788,551, with revenue of \$266,587,597; for the current fiscal year up to January 31 expenditures totaled \$137,352,803, with revenue of \$174,704,723. The grand total of expenditures for the 3 years and up to the end of the last January was \$805,498,274, with gasoline and motor-vehicle revenue of \$913,991,047. Thus highway users paid \$108,492,773 more than they received as benefits from Federal aid.

I shall not recite the figures at this time, but I should like to have the RECORD show the comparison of Federal-aid highway expenditures and Federal-tax income from motor vehicles, gasoline, and so forth, from 1917 to the early part of 1936, and for this purpose I am submitting the appropriate table of figures.

This excess of highway revenue over highway expenditures is duplicated in practically every State. The most tragic phase of State highway financing is that approximately \$150,000,000 a year is being diverted from gasoline tax and motor-vehicle license fees to purposes totally unrelated to highway construction or maintenance. This diversion of highway funds was "frozen" by the Hayden-Cartwright Act of 1934 at the level then prevailing, but every effort should be made to discourage all diversion of highway funds for any purpose other than road building.

Comparison of Federal-aid highway expenditures and Federal-tax income from motor vehicles, gasoline, etc.

(Cumulative figures for expenditures and receipts)

Date	Total Federal-aid highway expenditures to date shown			Federal tax on motor vehicles, gasoline, etc.	Amount income greater (+) or less (-) than expenditure
	Regular Federal aid	Emergency and public works	Total		
June 30, 1917..	\$34,338		\$34,338		—\$34,338
June 30, 1918..	609,154		609,154	\$23,081,268	+23,372,114
June 30, 1919..	3,524,437		3,524,437	72,815,540	+69,291,103
June 30, 1920..	23,865,211		23,865,211	216,738,332	+192,873,121
June 30, 1921..	81,327,979		81,327,979	332,284,581	+250,956,602
June 30, 1922..	171,274,583		171,274,583	436,718,344	+265,443,761
June 30, 1923..	242,879,292		242,879,292	581,008,534	+338,129,242
June 30, 1924..	323,327,115		323,327,115	739,023,544	+415,696,429
June 30, 1925..	420,799,622		420,799,622	863,710,289	+442,910,667
June 30, 1926..	510,161,732		510,161,732	1,001,866,484	+491,704,752
June 30, 1927..	593,139,298		593,139,298	1,068,303,365	+475,164,067
June 30, 1928..	675,653,132		675,653,132	1,119,931,631	+444,278,499
June 30, 1929..	759,659,751		759,659,751	1,119,931,631	+360,271,880
June 30, 1930..	837,551,943		837,551,943	1,119,931,631	+282,379,688
June 30, 1931..	973,143,816	\$20,296,266	993,439,822	1,119,931,631	+126,492,049

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Comparison of Federal-aid highway expenditures and Federal-tax income from motor vehicles, gasoline, etc.—Continued

Date	Total Federal-aid highway expenditures to date shown			Federal tax on motor vehicles, gasoline, etc.	Amount income greater (+) or less (-) than expenditure
	Regular Federal aid	Emergency and public works	Total		
June 30, 1932..	\$1,102,948,504	\$79,208,699	\$1,182,157,203	\$1,119,931,631	—\$62,225,572
June 30, 1933..	1,206,689,629	141,335,680	1,348,025,309	1,293,899,291	—54,126,018
June 30, 1934..	1,250,159,050	322,355,073	1,572,514,123	1,592,630,358	+20,116,235
June 30, 1935..	1,263,448,665	586,854,009	1,850,302,674	1,859,217,955	+8,915,281
Jan. 31, 1936..	1,273,164,423	714,491,055	1,987,655,477	2,083,922,678	+46,271,201

Our committee received from the American Association of State Highway Officials, the American Road Builders' Association, and other responsible organizations, an abundance of evidence showing that the present prosperous condition of industries directly dependent upon a continued highway program is directly attributable to the fact that the Hayden-Cartwright Act of 1934 provided for a 3-year program, just as the present bill would operate as the supplement to legislation now in effect. Scores of industrial plants that produce highway equipment and materials were prostrate at the time the 1934 act became operative. Today practically all of these organizations are operating at full speed, employing thousands of workers, and contributing to national recovery.

Of primary importance, of course, is the fact that highways are being improved so as to provide avenues of travel for motor vehicles and to get the farmers out of the mud, but the employment phase also is of great importance. Immediate enactment of this bill is necessary in order to avert the major calamity that would result from a demoralization of the highway industry. I have not discussed all the provisions of the bill, but the report takes the bill up by sections and explains it in a concise manner. [Applause.]

Mr. TURPIN. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. BLANTON].

IMPORTANCE OF ALL-WEATHER SECONDARY HIGHWAYS TO FARMERS

Mr. BLANTON. Mr. Chairman, I am proud of what the Congress of the United States has accomplished during the last 20 years in the construction of splendid highways in each and all of the 48 States. In all of such work I have had a deep interest and have actively supported every measure providing funds used in building highways.

CONGRESS HAS PROVIDED \$200,000,000 FOR SECONDARY ROADS

It is the secondary or rural roads that farmers must use in going from farm to market. In the days of bad roads I can remember when it would require an entire day, and once in a while 2 days, for a farmer living not more than 10 miles from his county seat to go to town. And then part of the day before would be used in making preparations. Now, where accessible to modern highways, which Congress has provided, a farmer in bad weather can go to town and return in less than 2 hours.

THIS BILL ASSURES COMPLETION OF RURAL HIGHWAYS

I am proud of the work of this committee in getting this secondary-highway bill before the House for passage. It will make possible the completion of good rural roads for farmers everywhere. It will facilitate and better furnish to farmers more expeditious means of marketing their produce with greater convenience and less cost and trouble.

JUNKET TO WASHINGTON BY SOME COUNTY JUDGES

There is a county judge of Eastland County named Clyde L. Garrett, who several months ago announced against me for Congress, presumably running upon the Townsend platform, he being the president of the County Judges' Association, W. R. Nelson, of Carthage, being its secretary. During the last days of February they, with a few others, came on a junket trip to Washington. Shortly after his arrival here Clyde Garrett had his picture taken walking down the front outside steps of the House of Representatives, bareheaded, with his hat in his hand, and his overcoat off, braving the cold weather. I knew immediately that his trip was political, and that his real mission was to gather campaign material, although he claimed they were here to urge good roads,

and to try to get relief from Harry Hopkins' W. P. A. rulings. Nevertheless, and notwithstanding he was my opponent, I invited him to have lunch with our Texas delegation, and I cordially introduced him to all of our Texas Members, and he was my guest at such luncheon.

HIGHWAY APPROPRIATION THEN ALREADY IN BILL

I called their attention to the fact that while they would not be able to accomplish anything by their visit, we were glad to see them and would be glad to show them every courtesy and do all we could to entertain them.

At that time the hearings had been concluded on the Agricultural Appropriation bill in charge of Chairman CLARENCE CANNON, of Missouri, which bill embraced the appropriation for highways, and the bill and report had been prepared and were ready to be passed by Congress.

I also told them at said luncheon that the Members of the Texas delegation had been doing everything within their power to get both Harry Hopkins, and President Franklin D. Roosevelt, to modify the order which prevented a man from being employed on W. P. A. works unless he had been on relief, and that while we had succeeded in getting slight modifications, it was impossible to get Harry Hopkins to change his ruling. I reminded them I had made a speech on the subject February 3, 1936.

Neither Clyde Garrett nor Secretary Nelson ever saw Harry Hopkins or Chairman CANNON while they were in Washington, and aside from having an enjoyable junket and seeing Walter Johnson throw a dollar across the Rappahannock, Clyde Garrett accomplished absolutely nothing, but wasted the money of whoever was paying the junket expenses.

CAMPAIGN MATERIAL IMMEDIATELY FORTHCOMING

The home papers were asked to carry the large picture of Clyde Garrett walking down the House of Representatives steps, with a glowing write-up of their trip, and stating that he was a candidate for the House seat now held by Representative TOM BLANTON, but wholly failed to mention that he had been my guest at the luncheon, or any courtesies shown them by the Texas delegation.

FLUENT AND EFFUSIVE PUBLICITY AGENT

Someone signing himself Julien Capers, Jr., sent to my district papers from Austin a fancy write-up of Garrett's accomplishments (?) in Washington, stating:

A favorable report from the House Ways and Means Committee on an appropriation for \$125,000,000 to State highway programs marked a victory for the Texas Association of County Judges, headed by Judge Garrett. They appealed directly to Congressman CANNON.

My secretary, Mrs. Marx, immediately checked up on the matter, and the following is what was said about it by Chairman CANNON, who had charge of the roads appropriation, and who framed and passed the bill:

WASHINGTON, D. C., March 16, 1936.

DEAR MRS. MARX: The article Julien Capers, Jr., sent your Texas newspapers is so absurd it is ridiculous. The Ways and Means Committee made no report whatever on the road provision in my recent bill passed by the House, and has nothing whatever to do with appropriations. Neither Clyde Garrett, nor any other county judge from Texas, had anything whatever to do with the appropriation for public roads carried in my bill, and in no way influenced any item in it.

During the years Judge BLANTON has been on the Appropriations Committee he has heartily supported the appropriation made each year for improved highways in Texas, and he helped me to pass our bill in the House. The appropriation for public roads in Texas would have been in the bill if Clyde Garrett had never been born.

CLARENCE CANNON, Chairman.

INVITING STATEMENT FOR LATER USE

These county judges went home. I heard nothing from Clyde Garrett. To my surprise I received a letter from N. R. Nelson, undoubtedly written inviting an answer and a design to use both later. I didn't answer it. Then I got a second letter from Nelson, stating he had mislaid my first one (there being none) and asking that I send him a copy. Anyone could see through his scheme.

DENIAL ENTERED BEFORE COCK CREW ONCE

As the people in my district understood Clyde Garrett was running on the Townsend platform, during our luncheon Congressman MILTON WEST asked Clyde Garrett the pointed

question whether he was supporting the Townsend plan, and Clyde Garrett answered very emphatically that he was not. My secretary sent Chairman CANNON's statement to my home papers and called attention to the above, which was a proper correction of the unwarranted Capers article.

CONFESSION AND AVOIDANCE

Entering a plea of "guilty" and admitting that they in no way influenced the appropriation for roads, but offering excuses, T. R. Nelson got a few papers last week to publish a long letter he wrote to and published in the Cisco Daily Press, stating that he—

Was at a loss to understand just why Congressman BLANTON is so excited over who receives credit for the road appropriation, unless it is due to the fact that he and Garrett are seeking the same office.

BLANTON was not at all excited over anything. But he did have the right, when he is busy here 2,000 miles from his district attending to the people's business, not to allow Nelson and Garrett to publish false articles stating that "Garrett was running against BLANTON for Congress", and that "Garrett had gotten a \$125,000,000 appropriation for public roads", when Garrett had not had one thing to do with it.

SOME OF THEIR FUNNY EXCUSES

In trying to render excuses of why they had not done anything, Nelson said:

Congressman CANNON's office was called in regard to the subcommittee's report on the highway bill but the Congressman was not in. Congressman SANDLIN's office was also called, but he was in Louisiana at that time. Congressman TARVER's office was also called but he too was not in at that time. A short time later the same day, I met Congressman TARVER in the subway between the Capitol and the new House Office Building and there Congressman TARVER told me of the proposed report which the subcommittee would make.

Thus, Campaign Manager Nelson by the above clearly shows that he had absolutely nothing whatever to do with the roads appropriation which was already in Chairman CANNON's bill, at the time they reached Washington.

MY SPEECH AGAINST HARRY HOPKINS

The RECORD for February 3, 1936, on page 1367, shows my speech then made against the ridiculous ruling Harry Hopkins had made, denying work to all Americans who had not been on relief rolls. I then asked how much longer is the Congress of the United States going to stand for an un-American, inexcusable, intolerable situation? I then called attention to the fact that many Americans, through no fault of their own, had been compelled to accept relief from their Government. And for them, I said, every American had deep sympathy and understanding.

BUT MANY SACRIFICED, STINTED, DENIED THEMSELVES, AND EVEN STARVED TO KEEP OFF OF RELIEF

I then called attention to the fact that their wives and children wore shabby clothes and went barefooted; that they denied themselves the ordinary pleasures of life; that they ate cheap food and not enough of that; that they even went hungry, and did all of the above to keep off of relief; and that now Harry Hopkins was punishing them for making sacrifices and holding they were not entitled to be given work, simply because they had kept off of relief rolls.

ABOVE WORK BEING DONE BEFORE JUDGES THOUGHT OF WASHINGTON

We Members of the Texas delegation had been doing everything within our power to get Harry Hopkins to change his foolish ruling, long before Clyde Garrett and his county judges ever thought of their junket trip to Washington.

In conclusion, I want to thank my friend from Oklahoma, Mr. CARTWRIGHT, and his committee for their untiring work on this measure, and I am glad of the opportunity of helping them to pass it.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BLANTON] has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. CARTWRIGHT. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. TURPIN. Mr. Chairman, I yield an additional 5 minutes to my colleague from Mississippi [Mr. WHITTINGTON].

FEDERAL AID FOR HIGHWAYS CONSTRUCTIVE AND BENEFICIAL

Mr. WHITTINGTON. Mr. Chairman, the first Federal Aid Highway Act was passed on July 11, 1916; it provided for authorizations for 5 years ranging from \$5,000,000 the first year to \$25,000,000 the fifth year. The Federal aid highway system, however, was perfected and the highways of the Nation coordinated by the Federal Highway Act of November 9, 1921. The authorization for 1921 was increased from \$25,000,000 to \$100,000,000.

Authorizations for periods of 2 years, with two exceptions, have been passed for the last 14 years. The existing authorization will expire with the close of the fiscal year 1937.

The bill under consideration provides primarily for the same authorizations that were contained in the act approved June 18, 1934, for the fiscal years 1936 and 1937; the amount of the authorizations is the same; there is substantially no difference in the other material provisions of the bill from existing law.

The legislatures of 40 of the 48 States will meet in January 1937. The legislatures of 4 States meet annually, and the legislatures of only 4 States met during the year 1936. In many cases legislatures do not remain in session longer than 60 days. It is imperative that the legislatures know in advance as to Federal aid so that adequate provision may be made for matching Federal aid; moreover, the States as well as highway builders should know in advance what they may expect. It takes time to project and perfect plans; surveys are necessary; definite commitments are imperative.

Again, in 1934 and in 1935, when there was no Federal aid, all Federal road work being done under emergency appropriations, the gasoline taxes were diverted in many States. Highway builders sought other work; highways were neglected; there was a setback in the Federal highway program.

The bill contains an authorization which appears for the first time in regular aid legislation for feeder or secondary roads and for the elimination of railroad grade crossings.

PROGRESS

Prior to the Federal Highway Act there was no system of interstate highways. No standard type of construction obtained; each State and each district adopted its own methods; construction was often wasteful and extravagant.

Under Federal control and supervision the Federal Highway Act resulted in the formulation and coordination of a Federal highway system; national highways were fostered; citizens can now reach practically every part of the country over the highways.

Highway construction has contributed to American progress during the past 25 years more greatly than almost any other factor. Without a correlated and coordinated system of Federal roads, national highways would be impossible.

Federal aid, while not the only factor, has contributed to the development of the country. Additional highway mileage is but a part of the development.

Prior to 1916, when the Federal program was initiated, only a few of the States had well-organized highway departments. There was no connected system; road designs varied; road location building was largely a matter of "pork barrel." With the advent of Federal aid marked improvement took place; roads were established for the benefit of the greatest number; contracts were awarded to the lowest competitive bidder; better engineering standards were adopted; types of highways were improved; accounting systems were installed; highways were connected; main thoroughfares were built. The citizenship of the Nation has profited; rural life has been made more attractive; commerce and agriculture have been promoted.

THE NEED

Twenty-five million automobiles and trucks are today using the highways of the Nation. Highways present a continuous problem. The need for Federal aid is really greater than it has ever been; traffic is increasing; the problems of traffic are multiplying.

There are 226,000 miles in the Federal-aid program; 21,000 miles have not been surfaced. About half of the entire mileage is of high-type construction; 88,000 miles are of inferior or of low-type construction, have been in use from

11 to 20 years and must be replaced. Machinery in the factory becomes obsolete; it must be replaced, so highways must be replaced. Many roads are too narrow; others are worn out. In motoring from Washington to New York one recent week end, I passed over one of the roughest stretches I have observed in the country.

A few years ago it was said that some States had completed their program. On investigation the assertion was found to be without foundation. The larger and more populous States really have greater needs than the States with smaller population; they are among the first to match Federal aid.

Then again, under the emergency appropriation by virtue of the Emergency and Relief Act of 1935, the highway funds were used primarily to provide for employment. The question of labor was foremost. Because of the restrictions the emergency funds were largely used in constructing grades and in building foundations. The roads remain to be surfaced. The larger and more populous of the States are really in greater need of Federal aid now than formerly. Grades that have been constructed must be topped. It will be remembered that the restrictions governing the expenditure of emergency road funds do not apply to Federal-aid funds and that Federal-aid funds can be used for surfacing.

Political problems are constantly changing, so are highway problems. Highway problems have changed materially in the past 20 years.

There are many needs. I mention but a few. Substantially one-half of the main roads must be completed or rebuilt; a sound policy for the development and expansion of secondary roads is imperative; careful surveys, studies, and traffic investigations must be made; conditions that are dangerous and that lead to highway accidents must be removed; improved administrative policies and practices must be continued; investigations and research with testing and experiment respecting design, construction, and administration are greatly needed. The interests of the taxpayers will be promoted by the continuation of Federal aid which provides for Federal control and Federal supervision in the construction of the main highways of the country.

Normal employment will be given to contractors. Economy of construction will thus be aided. When deficits in the States obtain, the temptation to divert gasoline taxes and motor taxes is great.

There is, therefore, vital need for Federal aid to prevent the diversion of gasoline taxes. The advancement of standards of living in the rural areas is being promoted by highways. The people of the United States are more and more becoming neighbors.

I have already emphasized that highways are not local institutions. The main thoroughfares are used by the people of the whole country; they should be expanded, enlarged, and improved. I have emphasized the need for replacing the low-cost roads on our thoroughfares.

The Department of Agriculture reports that the improvement of rural roads is scarcely beyond the pioneer stage. The main roads have been constructed, but the initial improvements must be replaced; much remains to be done on the main highways.

The Department further reports that improved roads constitute less than one-third of the country's total highways and that the remaining two-thirds, including a large mileage of vitally useful secondary roads, are either wholly unimproved or without surfacing.

The work of highway improvement must be continued; the demands of traffic have become more exacting. The Federal Government must take an increasing part in highway construction.

MILEAGE

The total road mileage in the United States is estimated at 3,068,919 miles. The States system, including Federal-aid roads, consists of 382,688 miles; the mileage of county roads is 1,071,530 miles and local or township roads aggregate 879,630 miles. The total States system is 432,282 miles, but only 382,688 miles of the system, which includes the Federal-aid roads, have been improved.

I have already pointed out that of the system of 226,000 miles in the Federal-aid highway program, approximately one-half is of high-type construction.

In 1921 there were approximately 185,000 miles in the Federal-aid system. The mileage has increased. Under the act of 1932, when 90 percent of the original 7 percent of the total highway mileage in any State has been completed, an additional 1 percent of the State mileage may be added to the system. The addition of 1 percent may be repeated as circumstances require.

PAYS ITS WAY

From June 30, 1917, following the Highway Act of 1916, up to and including January 31, 1936, the Federal Government had collected taxes on gasoline and excise taxes on motor vehicles to the amount of \$2,033,922,678. During the same period the United States expended for regular Federal aid and for emergency and public-works highway construction a total of \$1,986,655,477; in other words, the people who used the roads—the motorists of the country—paid \$46,267,201 more than Congress appropriated for highway construction.

The bill under consideration involves an authorization of approximately \$220,000,000. The anticipated revenues from gas and motor vehicles for the fiscal year 1936 will exceed \$300,000,000. In this connection, during the emergency period for the fiscal years 1933, 1934, 1935, and for the fiscal year 1936, to January 31, 1936, the Federal Government had expended for Federal aid, emergency, and public-works highway projects a total of \$805,498,274 against which the Federal Government collected in gasoline and motor taxes, \$913,991,047. If all of the programs of the Federal Government paid their way as does the Federal-aid program there would be fewer deficits. Federal-aid highways pay their own way.

UNEXPENDED FUNDS

Generally more progress was made in the expenditure of emergency highway funds than in other permanent improvement funds. As of March 1, 1936, there remained available for new projects out of all emergency Federal-aid and public-works funds for highway construction, \$272,679,066. It takes time to make surveys, prepare plans, and acquire rights-of-way. The elimination of grade crossings is especially difficult and the progress is rather slow. Since March 1 contracts for highways and crossings have been made at the rate of \$1,000,000 per day.

There remained unobligated of the 1936 Federal-aid funds in the sum of \$125,000,000, as of March 1, 1936, \$56,791,032; of the \$200,000,000 for Works Progress highway funds, there remained unobligated \$81,989,263; of the road grade crossing \$200,000,000 fund there remained unobligated \$122,019,410; of the 1934 and 1935 public-works funds there remained \$11,879,361.

It will be remembered that \$80,000,000 were appropriated for emergency funds in 1930; \$125,000,000 in 1932; \$400,000,000 in 1933; \$200,000,000 in 1934; and that under the Emergency and Relief Act of 1935, \$400,000,000 were allocated out of an authorization of \$800,000,000, for highways and railway grade crossings.

EXTENSIONS

Mr. Chairman, I ask unanimous consent to revise and extend my remarks generally and to revise and extend my remarks to include therein a statement furnished me by Thomas H. MacDonald, Director of the Bureau of Public Roads, covering paragraph (b) of section 1 of the bill; a statement showing State gas taxes for 1935; a statement showing State per-vehicle taxes for 1934; a statement showing the apportionment of the \$125,000,000 Federal-aid authorization; a statement showing the apportionment of the \$25,000,000 authorization for secondary roads; a statement showing the estimate of the number of grade-separation projects under the \$200,000,000 allocated under the act of 1935; a statement showing the approximate apportionment of the \$50,000,000 for elimination of railroad grade crossings; and excerpts from the decision of the Supreme Court of the United States in the case of the *Nashville, Chattanooga &*

St. Louis Railway v. Herbert S. Walters (294 U. S. 405, 55 S. C. T. 486).

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I will yield as soon as I have analyzed the bill.

ANALYSIS

Section 1 of the bill is in reality a continuation of the authorizations in the act of June 18, 1934. The amount of the authorization is the same, as I have already indicated.

Paragraph (a) is a continuation of existing law.

Paragraph (b) is in reality a continuation of the act of 1915 as it has been interpreted by the Bureau of Public Roads. In this connection I include the following statement furnished me by Thomas H. MacDonald, Director, Bureau of Public Roads, respecting paragraph (b), to wit:

Paragraph (b) of section 1 provides for the apportionment of the funds authorized for any fiscal year not later than January 1 next preceding the beginning of such fiscal year. It also directs the Secretary of Agriculture to act upon projects submitted to him under his apportionment of the authorization, and provides that his approval of any project shall become a contractual obligation of the Federal Government for the payment of its share of the cost.

The Federal fiscal year begins on July 1, which comes in the middle of the construction season, and if the authorization for any fiscal year were not available for obligation through approval of projects until the beginning of the fiscal year, the construction season, particularly in the Northern States, would be approaching its close before the program could be well started. Section (b), by authorizing the approval of projects and the starting of construction during the 6-month period prior to the beginning of the fiscal year, makes it possible to take full advantage of the construction season. While this paragraph would permit the approval of projects and the starting of construction, the last proviso limits the payments to any State on account of all projects that have been placed under construction to the total of all apportionments, excluding the one for the ensuing fiscal year. It may be further explained by stating that before July 1, 1936, projects could be approved and construction started under the 1937 authorization, but total payments to any State before July 1, 1936, on account of all projects under construction under both the 1936 and 1937 authorizations would be limited to the total of the 1936 apportionment. This permits both a sound construction program and a sound financial procedure. The construction of many of the 1936 projects will extend into the fiscal year 1937.

The committee amended section 1 by striking out paragraph (c). In all Federal-aid and emergency highway legislation a definite yardstick has been fixed for allocation among the several States. The proposed paragraph would eliminate this requirement. The result would be discriminations. If one State received Federal aid without matching it, other States would adopt measures that would result in their not being required to match. The program would thus be endangered; funds would be diverted; waste and extravagance would be condoned; the very purposes of the legislation would be defeated.

I include herewith a statement showing the State motor-fuel taxes for the calendar year 1935 and the reported and estimated receipts furnished by Thomas H. MacDonald, of the Bureau of Public Roads, and I also include statement showing the State per-vehicle taxes for 1934, as follows:

State motor-fuel taxes, calendar year 1935¹

State	Motor-fuel tax rate per gallon		Net receipts (reported)	Net receipts (estimated)
	Jan. 1	Dec. 31		
	Cents	Cents		
Alabama	6	6	\$10,269,421	
Arizona	5	5	3,278,598	
Arkansas	6½	6½	8,193,789	
California	3	3	39,983,955	
Colorado	4	4	6,009,533	
Connecticut	2	3		\$5,230,000
Delaware	3	4	1,530,823	
Florida	7	7	17,897,067	
Georgia	6	6	15,771,723	
Idaho	5	5	3,123,882	
Illinois	3	3	30,063,111	
Indiana	4	4	18,863,837	
Iowa	3	3	11,618,218	
Kansas	3	3	8,961,190	
Kentucky	5	5		10,000,000

¹ From Automotive Industries, Feb. 22, 1936.

State motor-fuel taxes, calendar year 1935—Continued

State	Motor-fuel tax rate per gallon		Net receipts (reported)	Net receipts (estimated)
	Jan. 1	Dec. 31		
	Cents	Cents		
Louisiana	5	5	\$9,345,922	
Maine	4	4	4,572,827	
Maryland	4	4	8,278,025	
Massachusetts	3	3	17,334,090	
Michigan	3	3	22,790,561	
Minnesota	3	3	11,241,029	
Mississippi	6	6		\$7,000,000
Missouri	2	2		9,974,000
Montana	5	5	3,844,542	
Nebraska	4	5		9,500,000
Nevada	4	4	962,040	
New Hampshire	4	4	2,868,166	
New Jersey	3	3		17,953,000
New Mexico	5	5	2,877,605	
New York	3	4	56,311,245	
North Carolina	6	6		18,373,000
North Dakota	3	3	2,373,316	
Ohio	4	4	39,004,488	
Oklahoma	4	4	11,877,151	
Oregon	5	5	7,942,853	
Pennsylvania	3	4	40,708,840	
Rhode Island	2	2		2,130,000
South Carolina	6	6		8,598,000
South Dakota	4	4	4,200,994	
Tennessee	7	7	14,966,016	
Texas	4	4	33,606,085	
Utah	4	4	2,714,341	
Vermont	4	4		2,046,000
Virginia	5	5		13,238,000
Washington	5	5	12,568,379	
West Virginia	4	4	6,102,941	
Wisconsin	4	4	16,236,847	
Wyoming	4	4	1,897,790	
District of Columbia	2	2		2,051,000
Total			510,190,740	106,093,000
			\$616,283,740	

Per vehicle taxes, calendar year 1934

[Property taxes on automobiles not included]

	State gas tax	Registration fee	Total State tax
Alabama	\$41.20	\$14.12	\$55.32
Arizona	31.35	7.86	39.21
Arkansas	39.70	11.02	50.72
California	17.93	5.05	22.98
Colorado	23.61	7.91	31.52
Connecticut	13.90	22.21	35.11
Delaware	21.85	16.27	38.12
District of Columbia	12.05	4.15	16.80
Florida	49.22	13.18	62.40
Georgia	38.11	3.17	41.28
Idaho	26.38	14.32	40.70
Illinois	20.00	12.52	32.52
Indiana	21.85	9.05	30.90
Iowa	16.88	15.05	31.93
Kansas	16.11	6.20	22.31
Kentucky	27.75	9.06	36.81
Louisiana	36.57	18.32	54.89
Maine	25.06	17.70	42.76
Maryland	23.46	10.59	34.05
Massachusetts	21.65	8.44	30.09
Michigan	18.26	13.85	32.11
Minnesota	15.55	9.85	25.40
Mississippi	39.38	11.17	50.55
Missouri	12.94	9.92	22.86
Montana	28.55	8.41	36.96
Nebraska	21.08	4.78	25.86
Nevada	27.74	7.70	35.44
New Hampshire	24.27	21.82	46.09
New Jersey	19.70	18.06	37.76
New Mexico	30.85	10.18	41.03
New York	19.36	18.39	37.75
North Carolina	37.52	15.80	53.32
North Dakota	14.48	8.26	22.74
Ohio	23.32	12.36	35.68
Oklahoma	22.66	6.81	29.47
Oregon	26.46	14.82	41.28
Pennsylvania	19.87	18.35	38.22
Rhode Island	14.45	16.22	30.67
South Carolina	38.06	13.93	51.99
South Dakota	22.15	7.74	29.89
Tennessee	41.97	9.90	51.87
Texas	24.11	11.38	35.49
Utah	24.67	9.48	34.15
Vermont	24.92	27.68	52.60
Virginia	33.37	12.96	46.33
Washington	28.32	6.46	34.78
West Virginia	29.28	10.21	39.49
Wisconsin	21.71	14.17	35.88
Wyoming	27.15	6.73	33.88
National	22.66	12.23	34.89

This table shows that the average of both gasoline tax and registration fee per vehicle for all States and the District of Columbia was \$34.89 in 1934. Twenty States were below

this average. They are listed in the following table, and the amount by which they were below the average is also given:

California	\$11.91
Colorado	3.37
District of Columbia	18.09
Illinois	2.37
Indiana	3.99
Iowa	2.96
Kansas	12.58
Maryland	.84
Massachusetts	4.80
Michigan	2.78
Minnesota	9.49
Missouri	12.03
Nebraska	9.03
North Dakota	12.15
Oklahoma	5.42
Rhode Island	4.22
South Dakota	5.00
Utah	.75
Washington	.11
Wyoming	1.01

Amount below average 34.89

Paragraph (d) is a reenactment of a similar provision in the act of 1934. The approximate apportionment of the \$125,000,000 authorization among the States is as follows:

Approximate apportionment of \$125,000,000 regular Federal aid (sec. 1, H. R. 11687)

	Amount
Alabama	\$2,600,000
Arizona	1,780,000
Arkansas	2,130,000
California	4,750,000
Colorado	2,290,000
Connecticut	790,000
Delaware	610,000
Florida	1,660,000
Georgia	3,170,000
Idaho	1,530,000
Illinois	5,170,000
Indiana	3,100,000
Iowa	3,230,000
Kansas	3,310,000
Kentucky	2,310,000
Louisiana	1,780,000
Maine	1,090,000
Maryland	1,030,000
Massachusetts	1,740,000
Michigan	3,830,000
Minnesota	3,430,000
Mississippi	2,190,000
Missouri	3,800,000
Montana	2,560,000
Nebraska	2,590,000
Nevada	1,590,000
New Hampshire	610,000
New Jersey	1,680,000
New Mexico	1,990,000
New York	6,160,000
North Carolina	2,940,000
North Dakota	1,960,000
Ohio	4,570,000
Oklahoma	2,940,000
Oregon	2,050,000
Pennsylvania	5,350,000
Rhode Island	610,000
South Carolina	1,690,000
South Dakota	2,040,000
Tennessee	2,630,000
Texas	7,770,000
Utah	1,420,000
Vermont	610,000
Virginia	2,280,000
Washington	1,950,000
West Virginia	1,360,000
Wisconsin	3,040,000
Wyoming	1,560,000
Hawaii	610,000

Section 2, as amended by the committee, is a continuation of previous appropriations in the sum of \$10,000,000 for forest trails and highways.

Section 3 is a continuation of the authorization heretofore made for roads through unappropriated or unreserved public lands, Indian lands, and other Federal reservations other than forest reservations.

Section 4 is a continuation of the existing authorization for national parks, monuments, and other areas administered by the National Park Service. The program is about 50 percent complete so far as roads and trails in national parks are concerned, and the same situation obtains with respect to forest highways.

The committee eliminated section 5 of the bill. Personally, I favored its retention. It had not obtained in previous authorizations, and the committee undertook to restrict its recommendations, as far as possible, to previously approved legislation. I trust that section 5, insofar as national parkways are concerned, will be restored.

Section 6 was eliminated, inasmuch as the committee thought there was no occasion for such an authorization, although it was contained in the Authorization Act of 1934. The act of May 26, 1928, is an authorization and without limit; moreover, it is continuing.

Section 7 is new legislation. It obtains for the first time in a Federal highway appropriation authorization act. It provides for secondary or feeder roads; the funds are to be matched just as Federal highway funds must be matched. The following is the approximate apportionment of the funds among the several States, to wit:

Approximate apportionment of \$25,000,000 for secondary or feeder roads (sec. 5, H. R. 11687)

	Amount
Alabama	\$520,000
Arizona	360,000
Arkansas	430,000
California	950,000
Colorado	460,000
Connecticut	160,000
Delaware	120,000
Florida	330,000
Georgia	630,000
Idaho	310,000
Illinois	1,030,000
Indiana	620,000
Iowa	650,000
Kansas	660,000
Kentucky	460,000
Louisiana	360,000
Maine	220,000
Maryland	200,000
Massachusetts	350,000
Michigan	770,000
Minnesota	680,000
Mississippi	440,000
Missouri	760,000
Montana	510,000
Nebraska	520,000
Nevada	320,000
New Hampshire	120,000
New Jersey	330,000
New Mexico	400,000
New York	1,230,000
North Carolina	590,000
North Dakota	390,000
Ohio	910,000
Oklahoma	590,000
Oregon	410,000
Pennsylvania	1,070,000
Rhode Island	120,000
South Carolina	340,000
South Dakota	410,000
Tennessee	530,000
Texas	1,560,000
Utah	280,000
Vermont	120,000
Virginia	460,000
Washington	390,000
West Virginia	270,000
Wisconsin	610,000
Wyoming	310,000
Hawaii	120,000

Section 8 of the bill is also new legislation. It provides for an authorization of \$50,000,000 for each of the fiscal years 1938 and 1939 to eliminate railroad crossings, and the funds are not to be matched. This is a departure from Federal aid; it stands somewhat on the same footing as the authorizations for forest highways, national parks, and public lands. Such authorizations do not have to be matched.

Under the \$200,000,000 allocated for grade separation projects in 1935, a total of 2,307 crossings in all of the States will be eliminated. I enclose the following estimate, by States, furnished to me by the Bureau of Public Roads, to wit:

Estimate of the total number of highway railroad grade separation projects to be financed from the \$200,000,000 allocated by the President under the Emergency Relief Appropriation Act of 1935

Alabama	42
Arizona	13
Arkansas	58
California	40
Colorado	20

Estimate of the total number of highway railroad grade separation projects to be financed from the \$200,000,000 allocated by the President under the Emergency Relief Appropriation Act of 1935—Continued

Connecticut	11
Delaware	2
Florida	33
Georgia	98
Idaho	24
Illinois	83
Indiana	45
Iowa	113
Kansas	54
Kentucky	36
Louisiana	42
Maine	19
Maryland	19
Massachusetts	27
Michigan	44
Minnesota	145
Mississippi	43
Missouri	49
Montana	42
Nebraska	84
Nevada	11
New Hampshire	13
New Jersey	31
New Mexico	13
New York	97
North Carolina	77
North Dakota	72
Ohio	53
Oklahoma	68
Oregon	22
Pennsylvania	86
Rhode Island	5
South Carolina	70
South Dakota	56
Tennessee	51
Texas	154
Utah	13
Vermont	17
Virginia	71
Washington	32
West Virginia	29
Wisconsin	40
Wyoming	13
District of Columbia	2
Hawaii	5
Total	2,307

Grade crossings contribute to the hazards of highway travel, and, especially on the trunk-line railways, should be eliminated. These railways are frequently paralleled by main highways. The railways, in many cases, have been taxed to construct the highways. Again, in many instances, grade crossings can be eliminated by continuing the highways parallel with the railways. There is thus indirect elimination that is within the terms of the act.

On the State highway systems there remained as of January 1, 1935, according to the best estimates obtainable, 17,879 railroad crossings that have not been eliminated; on the county and township systems there remained 120,670. The 2,307 crossings eliminated under the Emergency Relief Act of 1935 are but a small part of the total crossings, but their elimination is most helpful.

Again, the need for the elimination of grade crossings is probably greater in the more populous States. While Federal aid is allocated upon the basis of one-third area, one-third population, and one-third mileage, the authorization for the elimination of crossings will be allocated upon a more favorable basis to the more populous States. The apportionment will be on a basis of one-half population, one-fourth highway mileage, and one-fourth railroad mileage.

Formerly in many of the States the railroads were required to pay one-half the costs of the elimination of railroad crossings. The authorization is really an emergency one and is made necessary in the program of grade eliminations under the recent case of the *Nashville, Chattanooga & St. Louis Railway v. Herbert S. Walters* (294 U. S. 405, 55 S. C. T. 486).

This was a case involving a grade crossing in Lexington, Tenn. Justice Brandeis, of the Supreme Court, rendered the opinion. It was held in that case that railroads could not be arbitrarily forced to contribute one-half of the cost of the elimination of grade crossings. The opinion of Justice Brandeis is most interesting and very illuminating. The com-

parative progress of railroads and highways is vividly traced and described. I quote from the said decision as follows:

Federal-aid highways are designed so that motor vehicles may move thereon at a speed commonly much greater than that of railroad trains. The main purpose of grade separation, therefore, is now the furtherance of uninterrupted, rapid movement by motor vehicles. In this respect grade separation is a desirable engineering feature comparable to removal of grades and curves, to widening the highway, to strengthening and draining it, to shortening distance, to setting up guardrails, and to bridging streams. The railroad has ceased to be the prime instrument of danger and the main cause of accidents. It is the railroad which now requires protection from dangers incident to motor transportation. Prior to the establishment of the Federal-aid system, Tennessee highways were built under the direction of the county courts and paid for out of funds raised locally by taxation or otherwise. They served, in the main, local traffic. The long-distance traffic was served almost wholly by the railroads and the water lines. Under those conditions the occasion for separation of grades was mainly the danger incident to rail operations; and the promotion of safety was then the main purpose of grade separation. Then, it was reasonable to impose upon the railroad a large part of the cost of eliminating grade crossings; and the imposition was rarely a hardship. For the need for eliminating existing crossings, and the need of new highways free from grade crossings, arose usually from the growth of the community in which the grade separation was made; this growth was mainly the result of the transportation facilities offered through the railroad; the separation of grade crossings was a normal incident of the growth of rail operations; and as the highways were then feeders of rail traffic, the community's growth and every improvement of highway facilities benefited the railroad. The effect upon the railroad of constructing Federal-aid highways, like that here in question, is entirely different. They are not feeders of rail traffic. They deplete the existing rail traffic and the revenues of the railroads. Separation of grades serves to intensify the motor competition and to further deplete rail traffic. The avoidance thereby made possible of traffic interruptions incident to crossing at grade are now of far greater importance to the highway users than it is to the railroad crossed. For the rail operations are few; those of motor vehicles very numerous.

Again I quote:

Unless the evidence and the special facts relied upon were of such a nature that they could not conceivably establish that the action of the State in imposing upon the railway one-half of the cost of the underpass was arbitrary and unreasonable, the Supreme Court obviously erred in refusing to consider them. The charge of arbitrariness is based primarily upon the revolutionary changes incident to transportation wrought in recent years by the widespread introduction of motor vehicles; the assumption by the Federal Government of the functions of road builder; the resulting depletion of rail revenues; the change in the character, the construction, and the use of highways; the change in the occasion for elimination of grade crossings, in the purpose of such elimination, and in the chief beneficiaries thereof; and the change in the relative responsibility of the railroads and vehicles moving on the highways as elements of danger and causes of accidents.

I quote further:

The Supreme Court of Tennessee erred in refusing to consider whether the facts relied upon by the railway established as arbitrary and unreasonable the imposition upon it of one-half the cost of the underpass. The promotion of public convenience will not justify requiring of a railroad, any more than of others, the expenditure of money, unless it can be shown that a duty to provide the particular convenience rests upon it (*Missouri Pacific Ry. v. Nebraska*, 164 U. S. 403; *Missouri Pacific Ry. v. Nebraska*, 217 U. S. 196; *Great Northern Ry. v. Minnesota*, 238 U. S. 340; *Great Northern Ry. v. Cahill*, 253 U. S. 71). These were the authorities relied upon by this court in *Chicago, St. Paul, Minneapolis & Omaha Ry. v. Holmberg* (282 U. S. 162, 167), where it held that to require a railroad to provide, at its own expense, an underpass, not primarily as a safety measure but for private convenience, was a denial of due process.

The Supreme Court of Tennessee did not consider whether, in view of the facts relied upon, it was arbitrary and unreasonable to impose upon the railway one-half the cost of the underpass. It assumed that the State action was valid because it found that the action was taken "to promote the safety of persons traveling the highways at grade crossings as well as to promote the safety of persons traveling the railroads at such crossings by eliminating dangerous grade crossings"; and added: "Admitting the insistence of complainant that the primary object of highway construction and the object of Federal contribution to highways is to invite and stimulate interstate traffic or travel upon the highways, it does not follow that the State roads are not primarily designed to serve the people of the State."

We have also no occasion to consider whether the railway should bear a proportion of the cost of the underpass less than one-half. The propriety of a lesser charge was not, and could not have been, considered by the Commission; and it was not considered by either of the lower courts. It was conceded by counsel for the State that the only questions now reviewable are the validity of the statute which compelled the State highway commission to impose upon the railway one-half of the cost, and the validity of the order made thereunder. Compare *Norwood v. Baker* (172 U. S.

269, 290-294); *Schneider Granite Co. v. Gast Realty Co.* (245 U. S. 288); *Thomas v. Kansas City Southern Ry.* (261 U. S. 481); *Road Imp. District No. 1 v. Missouri Pacific Railroad Co.* (274 U. S. 188); *Rowley v. Chicago & Northwestern Ry.* (293 U. S. 102, 112).

The judgment of the Supreme Court of Tennessee is reversed, and the cause is remanded to it for further proceedings not inconsistent with this opinion.

The following is an apportionment of the \$50,000,000 among the several States covering hazards at grade crossings, to wit:

Approximate apportionment of \$50,000,000 for elimination of hazards at railroad grade crossings (sec. 6, H. R. 11687)

	Amount
Alabama.....	\$1,010,000
Arizona.....	310,000
Arkansas.....	890,000
California.....	1,870,000
Colorado.....	660,000
Connecticut.....	430,000
Delaware.....	100,000
Florida.....	710,000
Georgia.....	1,220,000
Idaho.....	420,000
Illinois.....	2,580,000
Indiana.....	1,280,000
Iowa.....	1,400,000
Kansas.....	1,310,000
Kentucky.....	920,000
Louisiana.....	800,000
Maine.....	360,000
Maryland.....	520,000
Massachusetts.....	1,050,000
Michigan.....	1,690,000
Minnesota.....	1,350,000
Mississippi.....	810,000
Missouri.....	1,540,000
Montana.....	680,000
Nebraska.....	890,000
Nevada.....	220,000
New Hampshire.....	210,000
New Jersey.....	1,000,000
New Mexico.....	430,000
New York.....	3,390,000
North Carolina.....	1,210,000
North Dakota.....	800,000
Ohio.....	2,110,000
Oklahoma.....	1,250,000
Oregon.....	580,000
Pennsylvania.....	2,870,000
Rhode Island.....	180,000
South Carolina.....	770,000
South Dakota.....	810,000
Tennessee.....	980,000
Texas.....	2,710,000
Utah.....	310,000
Vermont.....	180,000
Virginia.....	940,000
Washington.....	770,000
West Virginia.....	670,000
Wisconsin.....	1,260,000
Wyoming.....	340,000
District of Columbia.....	100,000
Hawaii.....	110,000

The final section in the act is really a continuation of existing law. It provides for investigations of Federal-aid highways and secondary or feeder roads. In this connection, the committee inserted a proviso in section 7 of the original bill for the establishment of a section of rural roads in the Bureau of Public Roads. I do not think that this proviso was wise; moreover, I think it was unnecessary. The Bureau has established divisions whenever and wherever needed; there are divisions of design, construction, bridges, highway laws and contracts, control, information, tests, highway transport, and management. While personally I think the matter of the establishment of a division of rural roads was unnecessary, the insertion will not require an additional appropriation. The divisions of construction and design are able to cope with the problems. Inasmuch as the objection is not material, the committee recommended the insertion of the amendment providing for the establishment of a section or division of rural roads.

[Here the gavel fell.]

Mr. TURPIN. Mr. Chairman, I yield 1 additional minute to the gentleman from Mississippi.

CONCLUSION

Mr. WHITTINGTON. The Federal Government promoted the progress and advancement of the country in initiating

the Federal highway system; national highways have resulted; agriculture and industry have benefited; rural conditions have improved; country life is becoming more and more attractive; travel has been encouraged. But there is a further obligation on the Federal Government. The program should be extended; the needs are multiplying; traffic is increasing; the development must be continued; the policy must be expanded. The national responsibility can be met by the prompt passage of the authorizations in the pending bill. [Applause.]

[Here the gavel fell.]

Mr. CARTWRIGHT. Mr. Chairman, I yield 5 minutes to the gentleman from Utah [Mr. ROBINSON].

Mr. ROBINSON of Utah. Mr. Chairman, I appreciate that we cannot discuss a bill such as we now have under consideration in 5 minutes, but I will take sufficient time to assure the committee that we have gone into the matter contained in this bill in great detail. We have had long and extensive hearings, and if you will read the hearings that were had on this bill you will understand that a great deal of work has been done in committee. I think you will appreciate this fact when you compare the original bill with the bill finally reported by the committee.

Mr. Chairman, it seems to me that a reasonable limit in Federal-aid appropriation is the amount of funds that are coming to the Public Treasury, both State and Federal, from the road users themselves.

The bill under consideration authorizes the expenditures of \$220,000,000 per annum for the years 1938-39. During the year 1935 there was collected directly from automotive taxes by the Federal Government the sum of \$296,086,984; therefore, based upon the above principle, we are still within our limit in this bill.

In my opinion, there is no money expended by the Federal Government that has accomplished better results than the money expended by the Bureau of Public Roads. This Department has not only been extremely careful and wise in its own expenditures, but it has also set up organizations throughout the United States which have cooperated with the various State organizations in such a way that the whole road program of the United States has become correlated. People can now travel almost any place in the United States on a fairly reasonable road and under fair conditions. It is true that the highways of our Nation are not all that we would desire them to be, but the passage of such bill as this has for its purpose the bringing about of better roads in every State in the Union; also of placing the road-building program throughout the United States, not only so far as the Federal Government is concerned, but also so far as the States are concerned, on a more permanent basis. When this bill is passed, each State will know exactly what contributions it will receive from the Federal Government for its road-building program covering the time specified in the bill.

From the beginning of the Federal-aid program until 1933 the money allocated for Federal highways was distributed to the States on the basis of one-third in the ratio which the area of each State bears to the total area of all the States; one-third in the ratio which the population of each State bears to the total population of all the States, as shown by the latest available Federal census; one-third in the ratio which the mileage of rural delivery routes and star routes in each State bears to the total mileage of rural delivery and star routes in all the States at the close of the next preceding fiscal year. During the Seventy-third Congress this allocation was changed so that seven-eighths of the money is appropriated under this plan, while one-eighth is based entirely upon population. This, of course gives the populous States an advantage they did not have under the previous appropriations. However, due to the fact that it was thought that unemployment existed to a larger extent in the more populous district, that this apportionment was fair to all of the States. Therefore the large item in this bill of \$125,000,000 will be apportioned under the law as amended in the Seventy-third Congress.

The bill also carries an appropriation of \$10,000,000 for forest highways. In my opinion, this sum is wholly inadequate

for this particular purpose and should be at least \$15,000,000, as provided in the bill when it was first introduced. However, the committee took the position that inasmuch as \$10,000,000 was the amount previously allocated, that due to the financial condition of the Government at the present time it would be unwise to increase this sum.

There are at least three types of roads in the forest: First, gravel and macadam roads, on which there is a large amount of travel; second, truck roads, on which travel is limited, but which roads are reasonably safe for automobile travel at 15 miles per hour; and, third, forest trails, used for horses and foot travel.

There are 53,000 miles of roads in the forest which have already been built and which it is necessary to maintain. It is estimated that there are 121,000 miles of roads planned in the forests. This leaves 68,000 miles of roads in the forest yet to be constructed. There are 121,000 miles of trails completed which need to be maintained and 32,000 miles of trails which should be built. During the depression more than ever before the forests have come to be a camping or picnicking grounds. Last year 17,000,000 people camped in the national forests. It is necessary to construct new and better roads in order to make the present camps accessible and to distribute the great group of people who use the forests for this purpose.

The money authorized for this particular work is different from the regular Federal highway authorization in that the roads constructed in the forest must be maintained largely at the expense of the Government, and, since we are constantly building more roads, the maintenance naturally is increasing. It is estimated that it will cost at least \$3,500,000 annually to maintain the roads and trails that are now constructed; therefore, if only \$10,000,000 is appropriated, it will leave but six and one-half million dollars which can be utilized for new construction.

I think it will help us to visualize this immense tract of land if we consider the gross area of the national forest as about one-tenth of the area of continental United States. Combined this would equal the area of Texas and Oklahoma. Or starting from Maine, along the Atlantic seaboard, the forests would run down the coast through North Carolina and take in West Virginia, Pennsylvania, and Ohio, and including all of New England.

These forest roads have two very important purposes: In the first place, many of these roads are very helpful to the people locally; in the next place, they are essential as a fire protection. We have vast areas of timber to protect from fires. When these fires start it is necessary that they be reached with dispatch. In order to do this, a reasonably safe and fast road to the various areas is necessary. A large amount of the money appropriated for this purpose is used in construction of truck roads, which are made available and used primarily when there are fire hazards. Through this method fire hazards are greatly reduced, and the saving that has been made in preventing fires amounts to many times more than these roads cost.

I was of the opinion in the committee, and am of the opinion now, that \$15,000,000 should be appropriated annually for this purpose. I hope that when the bill goes to the Senate that this amount will be put in by that body or will be put in in conference.

The bill also carries an appropriation of \$7,500,000 annually for the construction and improvement of roads and trails in national parks. This is the same amount that has been authorized for the past 2 years.

There are two items in this appropriation bill which are new and which have not heretofore appeared in the regular road appropriation bill, namely, \$25,000,000 for the year 1938 and \$25,000,000 for the year 1939 for feeder roads, including rural-free-delivery and farm-to-market roads. This sum will be apportioned among the States the same as other Federal highways appropriations, and it will be necessary for the State to match this sum in order to receive the benefit of this money. However, it is thought that the time has come when the Federal Government should aid in establishing suitable roads for farm-to-market roads, which roads are

not on the regular "through highway" system. Most of these roads, of course, are rural mail roads, and the expenditure of this money can be justified from the fact that the mails should be delivered with less cost to the Government and with greater dispatch.

The other item which is not in the regular appropriation bill is \$50,000,000 for 1938 and \$50,000,000 for the year 1939 for grade crossings. This appropriation is made to the States on the basis of one-half on population, as shown by the latest decennial census; one-fourth on the mileage of the Federal-aid highway system; and one-fourth on the railroad mileage, as determined by the Interstate Commerce Commission. This appropriation gives a very decided advantage to the populous States. There was \$200,000,000 allocated for this purpose in the emergency act, most of which is now under contract; and while it will take many years to complete this program, it was thought by the committee that at least \$50,000,000 annually should be used for this purpose. This money is not matched by the States nor by the railroads. It is really a grant from the United States to the various States to aid in eliminating railroad crossing hazards. [Applause.]

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include as part of my remarks some excerpts from the opinion of the Supreme Court of the United States holding a State statute requiring the railroads to contribute 50 percent invalid.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. CARTWRIGHT. Mr. Chairman, I ask unanimous consent that all Members who have spoken on this bill may have 5 legislative days in which to revise and extend their remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. TURPIN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, when the bill was before the House appropriating \$4,800,000,000 to be turned over to the President to spend as he saw fit, I endeavored at that time, as did some others, to have the fund earmarked so that we could take care of grade crossings; in fact, carry out the program that had been formulated by our State engineers. We were unsuccessful in having the funds earmarked.

Mr. Chairman, I am very much interested in this bill for two reasons.

The committee report in reference to section 7 reads as follows:

Section 7 of the bill provides an authorization of \$50,000,000 for the fiscal year ending June 30, 1938, and the sum of \$50,000,000 for the fiscal year ending June 30, 1939, for the elimination of railroad grade crossings. These funds need not be matched by the States and are distributed to the States according to the method adopted in connection with the emergency highway funds now in operation.

Of course, I am also interested in the question of highways and country roads which the farmers need in order to carry their products to market.

Mr. Chairman, I have another interest in this bill. I am particularly interested in it because it does earmark funds for the elimination of grade crossings. The Members of the House will remember that after a very tragic bus accident on a grade crossing out here at Rockville, Md., the President made the statement to the country that he was prepared to allocate funds to eliminate all grade crossings where the communities were ready to proceed. On the very day that the President made that announcement I wrote this letter:

APRIL 13, 1935.

THE PRESIDENT OF THE UNITED STATES,
The White House.

MY DEAR MR. PRESIDENT: The appalling and tragic disaster at the Rockville, Md., grade crossing has focused the attention of the country on the menace of grade crossings to public safety.

This brings vividly to my mind the situation that exists in the city of Dunkirk, N. Y. The grade crossings in my home city have taken a long toll of lives, among them my law partner, Hon. Rollin W. Snow, his wife, and aunt, and many of my other friends.

I believe that the city of Dunkirk, the railroads, and the State are now prepared to take immediate action, with the assistance of the Federal Government, to eliminate the grade crossings, or at least the more dangerous ones. I am prompted to place this situation before you because of the announcement that money will be made available to communities from the public-works funds to remove these hazards to human life.

The mayor of the city, Hon. W. L. Roberts, the chamber of commerce, the service clubs—in fact, every organization and the citizens generally—are vitally interested and are supporting this request. I respectfully request and urge your cooperation.

Respectfully yours,

DANIEL A. REED.

I received a reply from the Secretary to the President dated April 17, 1935, as follows:

MY DEAR CONGRESSMAN: The President asks me to acknowledge receipt of your letter of April 13 and to assure you that your request with respect to the grade crossing at Dunkirk, N. Y., will be given consideration.

Sincerely yours,

M. H. McINTYRE,
Assistant Secretary to the President.

Up to date this matter has received no further consideration, except that the President shortly thereafter reduced the grade-crossing allotment by half and transferred the money to other projects.

I think it is a very wise provision to have the funds definitely earmarked.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. May I call the gentleman's attention to the fact that there is a change in the distribution of these grade-crossing funds, so that instead of being based on the matter of Federal aid, 50 percent of these funds are allocated on the basis of population, the purpose being to eliminate the grade crossings in the more populous States of the Union.

Mr. REED of New York. I do not have the figures showing the number of people that have been ruthlessly killed at grade crossings in my home city, but they show a very tragic history in this respect based on population, and the worst, I believe, of any city in the State of New York; therefore I shall support this bill in an effort to protect my home city and other communities similarly situated from further tragedies.

The elimination of grade crossings in my home community and in other communities throughout my district has become of vital interest to almost every family where grade crossings are a constant menace to the life of the people. Every workman who goes to and from his work over grade crossings, over which passenger trains travel at terrific speed, endangers his life. There is not a mother who does not feel deep concern when her children leave for school in the morning and return in the afternoon if they reside where it is necessary for the children to cross the railroad at grade.

I have been urging action for the elimination of these hazards to human life with all the vigor at my command. I hope that this bill providing funds for this purpose will make it possible to protect the people of my communities from the risk to life and limb to which they are now subjected.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include some very brief letters from officials with reference to this situation.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CARTWRIGHT. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. SECREST].

Mr. SECREST. Mr. Chairman, the need of road construction arose with the general advancement in the automotive trade. In the beginning of the road program the landowners adjoining the proposed road paid practically all the cost. This old system was abolished several years ago when the States and the Federal Government levied gasoline taxes and used the money in the construction of State and Federal roads.

Any road program has a number of advantages. In the first place, you make a permanent improvement, in the second place you furnish direct labor, and in the third place

you furnish indirect labor to thousands and thousands of people in the cement industry, the brick industry, and in other allied industries affecting road building.

The pending bill provides in one section for the main Federal roads. It also provides a \$50,000,000 appropriation for the elimination of grade crossings, both of which I subscribe to most heartily.

The bill also provides for the first time in a regular Federal appropriation bill, in one of its sections, \$25,000,000 for rural farm-to-market roads, including school-bus routes and other rural roads.

We have provided in this section that there shall be established in the Bureau of Public Roads a section of rural roads, and I want to make it clear that it is not the intention of the committee, and I want the Record to show that it is not the intention of the House, that these people shall be new employees. It is the intention of the committee that certain engineers now employed by the Bureau of Public Roads shall be designated or assigned the task of handling rural-road problems.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. SECREST. I yield.

Mr. WHITTINGTON. Nor will it increase the cost of administration or the cost of this bill.

Mr. SECREST. Certainly not.

The Bureau of Public Roads for the past year has been making in the States throughout the Union a survey of rural roads to determine the number of homes on these roads, to determine the amount of improvement necessary to determine by a traffic count what rural roads in the country are the more important, and in every county of my district this survey has been practically completed. We now know when we attack our rural-road problem exactly which roads are deserving of primary consideration from the standpoint of lending assistance to the farmers and the general public using these roads. It is intended by this provision that this material shall be established in the Bureau of Public Roads in a division or branch to be known as the section on rural roads. This will render to the people of the Nation interested in rural roads an invaluable opportunity.

The 50,000 letter carriers in America, when they have any rural-roads problem, can then direct their inquiries or present their needs to this one focal point. The Members of Congress interested in the rural roads in their districts can go to this one branch on rural roads, which will have the sole task of carrying out this program and expending this \$25,000,000 assigned for this purpose. [Applause.]

[Here the gavel fell.]

Mr. TURPIN. Mr. Chairman, I yield 10 minutes to my colleague the gentleman from New York [Mr. LORD].

Mr. LORD. Mr. Chairman, the bill before us has been well explained by the chairman of our committee and I do not need to go further into the details of the measure.

I simply want to say that we had a discussion of this bill in committee during sessions which consumed about 3 days, completing it and getting it in its present form. I believe the bill is now in as good shape as such legislation can be.

We are providing the regular appropriation to the States for the State highways and for the other highways through the forests, and so forth. We are also providing for grade-crossing eliminations and we have provided for farm-to-market roads. To my mind, this is one of the most important parts of this bill.

It has been a lifetime work with me to "get the farmer out of the mud." We have made a start in setting up a special fund for farm-to-market roads.

Last year a number of us were interested in allotting some of the W. P. A. money for farm-to-market roads and we went to the President and to Harry Hopkins and others and secured their cooperation, and in the past year we have spent, perhaps, \$150,000,000 on farm-to-market roads. We feel that this was money well expended, because any money that went into roads benefited the farmer, benefited the worker, and resulted in a lasting benefit.

If we can only build roads to every back farm in the country there will not be any back farms. Every farm will then

be within half an hour or so of some village. The farmers, with their automobiles, can get to town very easily, and it will not matter whether they are 10 or 20 miles from town or 2 miles away, because they can reach their town or village in a short space of time. So what we have set up in this bill is the beginning of what is going to be a great success in the end.

It is going to be a great relief to the farmers of this section when they know that they are on the way to good roads.

Mr. PEARSON. Will the gentleman yield?

Mr. LORD. I yield to the gentleman.

Mr. PEARSON. The gentleman knows that his State and my State and most of the States have a satisfactory system of primary roads. What we are interested in now is what is referred to as secondary roads. Will the gentleman explain what the term "secondary roads" embraces?

Mr. LORD. Mr. Chairman, I understand that secondary roads are roads of importance but not as important as the main thoroughfares, but I do not think they reach back to what is called the real back roads.

Mr. CRAWFORD. Will the gentleman yield?

Mr. LORD. I yield.

Mr. CRAWFORD. Section 5 provides for \$25,000,000 for 1938 and a like sum for 1939, and it is conditioned that there shall be established a Bureau of Public Roads and a section of rural roads subject to the direction of the Chief of the Bureau of Public Roads. Has it been discussed or have you any concrete idea of how this fund will be distributed among the different States?

Mr. LORD. It will be distributed on the same basis as is the \$125,000,000—area, population, and mileage.

Mr. HAINES. Will the gentleman yield?

Mr. LORD. I yield.

Mr. HAINES. I know the gentleman is an expert road builder. I wish to ask him if the sum authorized in the bill is \$220,000,000 or \$125,000,000.

Mr. LORD. It is \$220,000,000 altogether. As I said before, I think we have started on the right track. We have started out to recognize and help the farmer who lives on the back roads in the country. While we have been building the main thoroughfares, we have not included but have neglected the back roads. This legislation makes a start to help get the rural mail carrier, the school bus, and the farmer "out of the mud." [Applause.]

Mr. TURPIN. Mr. Chairman, how much time is left on this side?

The CHAIRMAN. The gentleman has 7 minutes.

Mr. TURPIN. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Chairman and members of the Committee, I am particularly interested in the provisions of this bill. A great deal has been said about the importance of road construction connecting the sections of the country, and I want to remind the Committee that in the early days of our history, in connecting the East with the West with a road across the mountains into the Pacific coast, the Government gave away an empire just to get a railroad through the Northwestern States. It gave the Northern Pacific Railroad every other section in a strip 20 miles wide on each side. No one can compute the value of that land and its undeveloped resources that was donated to this company just to get one railroad across the United States. The building of roads is one of the most important things we have to do, and I want to talk to the Committee for a minute about the importance of opening up the resources and utilizing them in the great areas of the country that have been set aside in the national forests. When all this land that was in the rugged sections of the country covered by timber, unappropriated public domain, was withdrawn by the Government and placed in the national forest, where we permitted miners to locate mining claims, land rich in mining resources and mineral deposits, the Government by that act assumed the responsibility to build roads into that country to afford transportation for the development of those great resources; and out in the Northwest, in the Mountain States of the Rocky Mountains, we have great areas of country that are closed, absolutely inaccessible, in a primitive state, where the miners

and prospectors have penetrated and located mining claims, and there is no opportunity to develop them. The State cannot go into these national forests there and build roads, nor can the county; and if the Federal Government does not come to the assistance of the miners and prospectors and build the necessary roads within that country, then the country is simply locked up. In the district that I represent in Idaho we have one of the greatest undeveloped gold fields in the United States. We have a country out there in those mountains, in the forest, that has produced \$300,000,000 in placer gold. If that had been on the Canadian side of the line, the Canadian Government would have built roads there, because they have a law that when a prospector or a miner makes application to the Minister of Mines and examination is had, and then, if the development warrants it, the Canadian Government will build a road in, and most of that country is far less populated and developed than the country on our side of the line.

In Idaho, and in Utah and Colorado and those Western States, we need the development of the country, and at the proper time I propose to offer an amendment to put back this section that authorizes the appropriation of \$15,000,000 a year for constructing and maintaining forest roads and trails, because the committee has stricken that provision out of the bill which permits the development of new roads. The \$10,000,000 in that item will not maintain the roads that are built through the forests, because it must be remembered that in the national forest many of the arterial trunk highways cross them and must be maintained by the Forest Service.

Mr. WHITTINGTON. Mr. Chairman, the hearings disclose that the Director of Parks stated that not exceeding one-third, not exceeding \$5,000,000, would be needed.

Mr. WHITE. Oh, the national forest and the national parks are entirely two different functions. Seventy-two percent of Idaho is owned by the Federal Government, most of it embraced in the national forest, and the miners up in that country are dependent on the Federal Government for assistance in building roads. The committee has struck out that provision, and by not permitting the development of new roads they are tying up the resources of the country.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. CARTWRIGHT. Mr. Chairman, I yield the remainder of my time to the gentleman from Missouri [Mr. ZIMMERMAN].

Mr. TURPIN. Mr. Chairman, I yield the gentleman 1 minute remaining to me.

The CHAIRMAN. The gentleman from Missouri is recognized for 2 minutes.

Mr. ZIMMERMAN. Mr. Chairman, as a member of the Committee on Roads, I am very much interested in the passage of this bill. It not only provides for the continuation of Federal aid in our road-building program among the States but provides for the inauguration of a program which will in fact lift the farms of our country out of the mud where we have left them up to this time.

I desire to especially call your attention to section 5 in the bill, which provides, among other things, as follows:

Provided further, That there shall be established in the Bureau of Public Roads a section of Rural Roads, subject to the direction of the Chief of the Bureau of Public Roads.

Up to this time the Bureau of Public Roads has been concerned with the building of through or main highways connecting centers of population and designed to accommodate the tourist and through traffic. Under this provision the Bureau of Public Roads will study the farm-to-market road problem, the proper mode of construction of such type of road, and cooperate with local agencies in the building of the same.

This section further provides for the authorization of the expenditure of \$25,000,000 for the fiscal years ending June 30, 1938 and 1939, respectively, for the construction of "secondary or leader roads, rural free-delivery mail roads, and public-school bus routes." I am sorry the amount provided for this purpose is not larger, but it is the beginning

of a program which will lift our rural inhabitants out of the mud and enable them to reach in comfort and safety the principal highways now established in most States. Nothing affects the comfort and happiness of the farmer, and even his prosperity, more than his ability to receive his daily mail on time, have his children transported safely to school, and to transport his products conveniently to the market. In this age of the automobile and motor truck the distance of a few miles from a main highway means, for many weeks during the year, seclusion and inability to get off of the farm. We have built all the main highways we need for the present. We should now give our attention to the building of rural, farm-to-market roads and really help that large class of our population—the farmer—which has been paying taxes all these years for road improvement and which has received few benefits.

There are other provisions of this bill which I would like to discuss, but lack of time forbids. I sincerely hope we pass this bill and that it becomes a law.

The CHAIRMAN. The time for general debate is exhausted, and the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That for the purpose of carrying out the provisions of the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", approved July 11, 1916, and all acts amendatory thereof and supplementary thereto, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the following sums, to be expended according to the provisions of such act as amended: The sum of \$125,000,000 for the fiscal year ending June 30, 1938, and the sum of \$125,000,000 for the fiscal year ending June 30, 1939.

(a) All sums authorized in this section and apportioned to the States shall be available for expenditure for 1 year after the close of the fiscal year for which said sums, respectively, are authorized, and any sum remaining unexpended at the end of the period during which it is available for expenditure shall be reapportioned among the States as provided in section 21 of the Federal Highway Act of 1921 (42 Stat. 212).

(b) On or before January 1 of each year the Secretary of Agriculture shall apportion among the several States, as provided in section 21 of the Federal Highway Act of 1921, the sums authorized for the fiscal year immediately following. When said apportionment has been made for any fiscal year, the State highway departments may submit projects to the Secretary of Agriculture for his approval. The Secretary of Agriculture shall act upon projects submitted to him under any such apportionment and his approval of any such project shall be deemed a contractual obligation of the Federal Government for the payment of its proportional contribution thereto: *Provided*, That projects approved under any apportionment before the beginning of the fiscal year for which such apportionment has been made may be contracted for by the States and construction thereon may be begun, but the total reimbursements to any State or Territory before the beginning of such fiscal year shall not exceed the total of all previous apportionments to such State or Territory.

(c) If within any fiscal year the Secretary of Agriculture shall find with respect to any State that the laws of such State provide that the proceeds of all taxes on motor-vehicle transportation, as referred to in section 12 of the act of June 18, 1934 (48 Stat. 993), shall be applied to highway purposes, as defined in said section, and that the average of all such taxes per motor vehicle registered in such State is at least equal to the average of all such taxes per motor vehicle registered in all of the States, and shall further find that after having so applied such proceeds to such highway purposes other than construction there will be insufficient balance remaining for construction with which to match all or any part of the regular Federal-aid road funds apportioned to such State for such fiscal year in accordance with the provisions of the Federal Highway Act of 1921, as amended and supplemented, all or such portion of such apportionment as the State is unable to match shall be available for expenditure in such State in accordance with said Federal Highway Act without being matched by the State with State funds.

(d) The term "highway" as defined in the Federal Highway Act, approved November 9, 1921, as amended and supplemented, shall be deemed to include such main parkways as may be designated by the State and approved by the Secretary of Agriculture as part of the Federal-aid highway system.

With the following committee amendment:

Beginning in line 6, on page 3, strike all of subsection (c), and on line 1, page 4, strike out "(b)" and insert "(c)".

Mr. McCLELLAN. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, I certainly favor the passage of this bill. There is no greater evidence of or index to the progress of any community than the building and construction of good roads. This is, in most respects, a good bill and one that

should have the unanimous vote of the membership of this House.

I am opposed, however, to the committee amendment. I object to striking out and eliminating subsection (c) of section 1 of this bill, which has for its purpose to make available to those States that are not in position to match Federal aid, their proportionate share of the Federal-aid funds for the construction of highways. There are but few States that are not any longer in position to match Federal aid, but there are a few that cannot. My State cannot. It has not been able to for the past 2 years. Under the present program it will probably be 5 or 10 years before it can again match Federal aid. But it is not due, primarily to the lack of effort of the State. It is not the fault of the State. In the past we inaugurated a program of road construction, and as a result we have many good roads; but we have taxed ourselves to the point where we cannot now raise additional revenue to match Federal aid. I say that to you with the record to support it. We today pay on each automobile an average of more than \$50 per annum in license fees and taxes on gasoline and oil, whereas the general average for the United States is only \$32 and a few cents per year. Therefore, we have taxed ourselves 44 percent more than the average tax paid by the other States of the Union. May I say to you that all of these revenues are pledged for the payment of indebtedness that has been incurred in the construction of the present system of roads which we have.

It will be argued, I assume, by some member of the committee in support of this amendment, desiring to strike out this section, that this provision would be giving an advantage to some of the States that cannot match Federal aid. This section has the endorsement of the Chief of the Bureau of Public Roads, as you will observe by reading his testimony in the published hearings on the bill.

My answer to this argument is that we have taxed ourselves to the limit in order that we might provide you and others of the traveling public throughout the Nation with good roads so that you may pass through our State. Having gone our limit, no longer able to match Federal funds, the highway system in no State being completed, neither in Arkansas nor in any of these other States, which are unable to match Federal aid, if this money were expended now we would be able to carry on the work. Otherwise it must stop.

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. McCLELLAN] has expired.

Mr. McCLELLAN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection?

Mr. WOLCOTT. Reserving the right to object, are these bonds that the gentleman referred to retired? Are they bonds for carrying on other projects than road building, and are they retired?

Mr. McCLELLAN. No. I would like to answer the gentleman. I ask unanimous consent to proceed for 5 additional minutes, Mr. Chairman, in order that I may answer these questions.

Mr. WOLCOTT. I have asked my question under a reservation of objection so that it would not come out of the gentleman's time.

Mr. McCLELLAN. Yes. We have \$145,000,000 worth of bonds, the proceeds of which have all been expended for highway purposes. All of it went into highways. We have had to refund this indebtedness, and therefore all of the money that we are able to raise with this excessive taxation is pledged to the retirement of that debt and maintenance of the highways, and we are unable to provide any additional funds to carry on new construction.

Mr. WOLCOTT. My point was that the bonds of which the gentleman spoke are not bonds for institutions or for carrying on any other work?

Mr. McCLELLAN. None whatever. All are road bonds, and spent for road construction.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. McCLELLAN. I have just explained to the gentleman the condition that obtains. In our expansion program, our road-building program, we probably overbuilt, and when the depression came and those bonds became due we made default and had to refinance them, and in doing so we have raised our gasoline tax to 6½ cents a gallon and pledged all of that revenue to the liquidation of this refunded indebtedness, all of which went for the construction of roads.

It may be argued that this would be unfair. Let me call this to your attention: This section should be left in that bill. Any money that is subject to allocation to a State like Arkansas, which cannot match Federal aid, will go back into the Treasury and be reallocated to other States. It will not amount to a saving to the Federal Government. All these funds will be expended. I believe it is a better policy to spend Government money through an established agency of the Government, like the Bureau of Federal Roads, than it is to allocate it out to emergency agencies and have it spent for projects that are not worthy of the expenditure. If you will place this money at the disposal of States like Arkansas, under the supervision and direction of the Bureau of Public Roads, when it is expended we will be getting something for the Government's money. It will not be spent on boondoggling projects, as they are often referred to. May I say to you every dollar you spend down there through the Bureau of Federal Roads, as far as labor is concerned, and most of it will be for labor, will be spent in the employment of those who are unemployed and on relief and who the Government will likely have to provide jobs for anyway. The money will not be wasted.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. WHITTINGTON. Mr. Chairman, I rise in support of the committee amendment.

Mr. Chairman, this section was stricken out by the committee, as I stated in my presentation of the bill, because it would violate the fundamental principle that has characterized all Federal-aid highway legislation. It would result in a discrimination against the other 47 States of the Union.

The gentleman [Mr. McCLELLAN], my distinguished colleague from Arkansas, is a member of the committee. The committee considered most carefully this section. We knew it was for the benefit of Arkansas. I represent Mississippi in part. Mississippi was unable to match her Federal aid last year. I think a lot more of the continuance and permanence of the Federal system than I do of the inability of any one State for any one year to match its funds.

If this amendment is not adopted, it will be a blow at the system. The chief virtue of the system is that all the States, the rich and the poor, the populous and the sparsely settled are treated exactly alike.

The gentleman from Arkansas spoke of taxes. I can appreciate that the taxes on gasoline and automobiles are high in the gentleman's State. I have before me the figures for 1935. But what about the State of Tennessee? The gasoline tax in Arkansas, according to the figures of the Bureau of Roads for 1935, was 6½ cents a gallon, whereas in Tennessee and Florida it was 7 cents. The gentleman stated in the excellent argument he made on behalf of the great State he so ably represents that gasoline and other taxes on automobiles are around \$50 per year. They are largely in excess of this amount in other States. I have the statement for the calendar year 1934. Take, for instance, the great State of Florida. There they amount to around \$62 per annum. According to the figures of the Bureau of Roads to which I am referring, the State of Tennessee has a tax in excess of that of Arkansas, the average per vehicle tax in Tennessee being \$51.87 per annum. The tax in Mississippi equals the Arkansas tax and the tax in Louisiana exceeds it.

Mr. McCLELLAN. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield.

Mr. McCLELLAN. The gentleman spoke of the State of Florida. This State was not able to match Federal aid last year, was it? At least it was not able to match very much of it.

Mr. WHITTINGTON. Florida matched partially. That State may not have fully matched funds last year, but I am sure this year it will do as Mississippi intends—match the Federal funds.

Mr. McCLELLAN. But they were not able to match funds last year.

Mr. WHITTINGTON. I do not know the reason of the inability to fully match the funds. The gentleman must bear in mind that inability rises from different causes. Frequently it comes from poor financial management. Again it may be as in the case of the State of Mississippi, where we have been paying as we built our roads. Instead of pledging our gasoline income for years to come, we try to pay as we go.

If this section remains in the bill, Mr. Chairman, it will encourage States to divert their gasoline taxes and will absolutely break down and destroy the Federal-aid highway system. For this reason I feel that the amendment of the committee, thoroughly and carefully considered, should be adopted.

Mr. McCLELLAN. Mr. Chairman, will the gentleman yield further?

Mr. WHITTINGTON. I yield.

Mr. McCLELLAN. The gentleman spoke of departure from policy and principle. I ask the gentleman if during this whole administration the policy of the Democratic administration has not been to depart from previous precedent, principle, and policy?

Mr. WHITTINGTON. I confine myself in answering, Mr. Chairman, to saying that in Federal-aid highway legislation—and I must not be diverted—whenever there has been a departure it has been a departure for the benefit of all 48 States, not for the benefit of Arkansas, Mississippi, or any other State. We canceled the requirement to match Federal aid in the emergency highway legislation, but it applied not alone to the magnificent State of Arkansas but equally to every State in the Union.

Mr. McCLELLAN. Mr. Chairman, will the gentleman yield further?

Mr. WHITTINGTON. Yes.

Mr. McCLELLAN. Is it the gentleman's construction that Federal-aid highways are of local benefit to the States, or is it of universal benefit to all the people of the Nation to have a system of national highways over which they may travel?

Mr. WHITTINGTON. Otherwise there would not be a Federal-aid highway policy and program. Being a national policy, it must be a policy whereby all of the States are treated alike. There must be no discrimination in favor of one State. The very thing that affects Arkansas would affect Mississippi and every State in the Union.

Mr. Chairman, I ask that the committee amendment be adopted.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Sec. 2. For the purpose of carrying out the provisions of section 23 of the Federal Highway Act of 1921, there is hereby authorized to be appropriated for forest highways, roads, and trails the following sums, to be available until expended in accordance with the provisions of said section 23: The sum of \$15,000,000 for the fiscal year ending June 30, 1938; the sum of \$15,000,000 for the fiscal year ending June 30, 1939: *Provided*, That one-third, but not less than \$3,000,000, of the appropriation made for any fiscal year for carrying out the provisions of said section 23 may hereafter be expended for the purposes enumerated in the first paragraph of clause (a) of said section 23.

Committee amendment:

Page 4, line 12, strike out "\$15,000,000" and insert in lieu thereof "\$10,000,000."

Mr. WHITE. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, this amendment goes directly to the proposition of building forest roads and trails. It is my information from the Forest Service that the \$10,000,000 included in this bill, if the committee amendment is adopted, will barely

maintain the forest roads. We must remember in dealing with the forest roads and trails that we are now concerned with arterial roads that cross the Western States. Many sections of these roads are through the forest and must be maintained by the Forest Service. They are arterial highways. When we consider the extent of the roads maintained by the Forest Service we will realize that \$10,000,000 is a very small sum.

I am told that the amount included in the committee's amendment will not take care of any new construction, and that the provision in the bill which provides that one-third, or not less than \$3,000,000, made for each fiscal year for the carrying out of the provisions of section 23 will authorize new construction and open up new country in the national forests, which is very vital to the development of the West. It is vital to the resources of the national forests. It is vital to the transportation needs of the people of the communities that are dependent upon forest roads that the provisions of the bill remain intact and the committee amendment be not agreed to.

Mr. Chairman, I urge that the Members vote for the bill in its present form and vote down the committee amendment, because the provisions of this bill were drafted after careful consideration of the recommendations of the Bureau of Public Roads and the Forest Service. Opening of forest areas and development of reserves in the national forest is one of the most important things to aid business recovery. This means more than may be imagined. We should open up and utilize the resources of the national forests, and I refer particularly to the mineral resources contained in areas that are now barred from transportation, locked up as it were. We need every dollar that has been authorized in this bill for the utilization of these resources. Let me point out to you that durable goods and heavy machinery, including diesel engines and diesel fuel oil, will move into that country in large quantities with the improvement of these forest roads and trails. There will be an increase in the employment of labor. There has not been an item of appropriation considered by the House that means more to the recovery of that country than does this item which has to do with forest roads and trails. I, therefore, urge the membership to vote down the amendment and permit the opening of that country through this small appropriation of \$3,000,000 annually.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I rise in favor of the committee amendment.

Mr. Chairman, the distinguished gentleman from Idaho [Mr. WHITE], my good friend, unwittingly, but, nevertheless, very accurately, stated that this committee amendment was well considered. Therefore, Mr. Chairman, I insist that the committee amendment be adopted.

There are 3,000,000 miles of roads in the United States. Less than 1,000,000 miles have been improved. Nearly one-half, or, to be accurate, according to the statements made before our committee, 49 percent, of the forest highways dealt with in this item have been improved. The forest highways have been most generously provided for during the emergency legislation. The committee recommends that the authorization be reduced to \$10,000,000. That is the amount contained in the authorization now in force and that has been in force during the past 2 years. That is the relative figure, and I ask that the committee amendment be adopted.

Mr. WHITE. Will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Idaho.

Mr. WHITE. The gentleman quoted me as saying that I stated previously this amendment was well considered. My statement was that the provisions of the original bill were well considered by the Director of the Bureau.

Mr. WHITTINGTON. I made the observation that the gentleman unwittingly made a correct statement. I know he did not mean it.

Mr. WHITE. I think, if the gentleman will inspect the RECORD, he will find that I said the provisions of the bill were well considered.

Mr. WHITTINGTON. The Director of the Bureau of Roads had nothing to do with this recommendation. That recommendation was from the Forest Service, and the bill was introduced by the chairman of the committee.

Mr. WHITE. Is it the gentleman's contention that representatives of the Bureau of Roads did not appear before the committee and give testimony?

Mr. WHITTINGTON. Of course, they did; but those officials did not undertake to tell the committee what the committee should do as to amount. All bureaus want everything they can get, and this includes the Forest Service; but your committee thought in fairness to the people of the country and all the States that this authorization should be reduced.

Mr. Chairman, I insist upon the adoption of the amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 13, strike out "\$15,000,000" and insert "\$10,000,000."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 14, after "1939", strike out the colon and the proviso down to the end of line 19.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 3. For the purpose of carrying out the provisions of section 3 of the Federal Highway Act of 1921, as amended June 24, 1930 (46 Stat. 805), there is hereby authorized to be appropriated for the survey, construction, reconstruction, and maintenance of main roads through unappropriated or unreserved public lands, nontaxable Indian lands, or other Federal reservations other than the forest reservations, the sum of \$2,500,000 for the fiscal year ending June 30, 1938, and the sum of \$2,500,000 for the fiscal year ending June 30, 1939, to remain available until expended.

SEC. 4. For the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks, monuments, and other areas administered by the National Park Service, including areas authorized to be established as national parks and monuments, and national park and monument approach roads authorized by the act of January 31, 1931 (46 Stat. 1053), as amended, there is hereby authorized to be appropriated the sum of \$7,500,000 for the fiscal year ending June 30, 1938, and the sum of \$7,500,000 for the fiscal year ending June 30, 1939.

SEC. 5. For the construction and maintenance of parkways, to give access to national parks, or to become connecting sections of a national parkway plan, over lands to which title has been transferred to the United States by the States or by private individuals, there is hereby authorized to be appropriated the sum of \$7,500,000 for the fiscal year ending June 30, 1938, and the sum of \$7,500,000 for the fiscal year ending June 30, 1939: *Provided*, That the location of such parkways upon public lands, national forests, or other Federal reservations shall be determined by agreement between the department having jurisdiction over such lands and the National Park Service.

With the following committee amendment:

Beginning in line 17 on page 5 and ending in line 3, page 6, strike out all of the section 5.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 6. For construction and improvement of Indian reservation roads under the provisions of the act approved May 26, 1928 (45 Stat. 750), there is hereby authorized to be appropriated the sum of \$4,000,000 for the fiscal year ending June 30, 1938, and the sum of \$4,000,000 for the fiscal year ending June 30, 1939.

With the following committee amendment:

Beginning on line 4, page 6, strike out all of section 6.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 7. In addition to any other authorizations which have been made, there is hereby authorized to be appropriated to the several States, to be apportioned and expended under the provisions of the Federal Highway Act of 1921, as amended and supplemented: The sum of \$25,000,000 for the fiscal year ending June 30, 1938; the sum of \$25,000,000 for the fiscal year ending June 30, 1939: *Provided*, That the sums herein authorized shall be applied to secondary or feeder roads, including farm-to-market roads, rural free delivery mail roads, and public-school bus routes.

With the following committee amendment:

On page 6, line 10, strike out "7" and insert "5", and at the end of line 19 insert a colon and the following: "*Provided further*, That there shall be established in the Bureau of Public Roads a section of rural roads, subject to the direction of the Chief of the Bureau of Public Roads."

Mr. WILLIAMS. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman or a member of the committee a question regarding the section of rural roads which is provided for in this section. What consideration did the committee give to the functions that should be performed by this body?

Mr. CARTWRIGHT. I will ask the gentleman from Ohio [Mr. SECREST] to answer that question.

Mr. SECREST. The Bureau of Public Roads for the past year has been conducting various surveys. Some States have not yet started the work, while others have practically finished such surveys with respect to rural roads in order to determine the number of houses on each mile of such roads in each county, and also to determine the traffic that goes over each one of these rural roads, trying to set up a method whereby they can intelligently approach the rural-roads problem and looking at it as a 10- or 15- or 20-year program.

Mr. WILLIAMS. And this provides, as I understand it, for aid to farm-to-market roads, or the ordinary rural roads?

Mr. SECREST. That is right. The section provides that there shall be three or four engineers, or perhaps a group of them, now employed by the Bureau of Public Roads set aside in a separate section to handle farm-to-market road problems. The township trustees of any township, the road supervisors of any county, the county commissioners of any county, and the 50,000 mail carriers in the United States can then write to this one place for information, and this one group will be designated to do nothing else.

Mr. WILLIAMS. The main thing I have in mind is whether or not this particular body set up here in connection with the public roads would have the say-so as to the location of these farm-to-market roads.

Mr. SECREST. They would not. They would have an influence only in approving them, but no more say-so than there is now in the Bureau.

Mr. WILLIAMS. The county court or the State, as the case may be, or the appropriate local authority would locate the road.

Mr. SECREST. That is right.

Mr. WILLIAMS. That is the main thing I was interested in.

Mr. SECREST. This provision has nothing to do with that whatever.

Mr. GREEN. And the State road department would retain its authority, and the matter would be handled just as other Federal funds are handled.

Mr. SECREST. That is right.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS. I yield.

Mr. WHITTINGTON. I should like to call the gentleman's attention to the fact that this proviso stipulates that a section devoted to the study of rural roads shall be established in the Bureau of Public Roads, and shall be under their supervision.

Mr. WILLIAMS. Yes.

Mr. WHITTINGTON. It is my personal view that there is no occasion for this proviso, but our colleague the gentleman from Ohio proposed it, and inasmuch as under existing law, I think, the Bureau would have authority to establish such a section or division, there is no objection to it.

I may say to the gentleman from Missouri, if he will pardon me for detaining him further in his own time, there are at present divisions of design, construction, bridges, highway laws and contracts, control, information, tests, highway transport, and management. These divisions were set up without legislative authorization under the highway act, and I think this provision for future studies, with respect to secondary roads, is in order, and I may say that this was the view of the committee.

Mr. WILLIAMS. I can see no objection to the provision, provided they do not assume authority to go down into a locality where they are establishing a farm-to-market road and say, "You have got to build it here", regardless of what the local authorities may think about it.

Mr. WHITTINGTON. May I say to the gentleman that under our Federal aid for highways legislation the location of all highways and grade crossings must be initiated by the State and local authorities, and I favor this principle and think it should be preserved.

[Here the gavel fell.]

Mr. DEROUEN. Mr. Chairman, I move to strike out the last two words in order to ask the gentleman a question.

I am wondering if the gentleman can tell us whether this language will necessitate the employment of additional employees or whether the establishment of this section on rural roads will cost the Government more money?

Mr. WHITTINGTON. It will not, and it was so stated in the argument on the bill in chief.

Mr. DEROUEN. Could they not do this without the authority contained in this proviso?

Mr. WHITTINGTON. Undoubtedly, and I have so stated.

Mr. MITCHELL of Tennessee. Mr. Chairman, I rise in opposition to the pro-forma amendment, and I do this for the purpose of asking the chairman of the committee a question.

Referring to section 5 of the bill, can the committee give me definite figures as to what amount would be allocated to Tennessee for farm-to-market roads?

Mr. CARTWRIGHT. I may say to the gentleman that we have a break-down of that here, and the gentleman from Mississippi [Mr. WHITTINGTON] will tell the gentleman what Tennessee gets. They get plenty.

Mr. MITCHELL of Tennessee. I am interested in seeing that they do.

Mr. WHITTINGTON. Mr. Chairman, I may state in response to the inquiry of the gentleman from Tennessee that I shall insert a table in the RECORD showing not only what Tennessee will receive but the amount that all the States in the Union will receive.

Mr. MITCHELL of Tennessee. And this is allocated under a definite program?

Mr. WHITTINGTON. There is a definite yardstick set up under the Federal Highway Act and all States are treated alike.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 8. For the elimination of hazards to life at railroad grade crossings, including the separation or protection of grades at crossings, the reconstruction of existing railroad grade-crossing structures, and the relocation of highways to eliminate grade crossings, there is hereby authorized to be appropriated, to be apportioned on or before the 1st day of January of each year preceding the fiscal year for which it is authorized among the several States (including the Territory of Hawaii and the District of Columbia) in accordance with the provisions of the Federal Highway Act of 1921, as amended and supplemented, except that such apportionment shall be one-half on population as shown by the latest decennial census, one-fourth on the mileage of the Federal-aid highway system as determined by the Secretary of Agriculture, and one-fourth on the railroad mileage as determined by the Interstate Commerce Commission, and to be expended in accordance with said Federal Highway Act, as amended and supplemented, except that no part of such funds apportioned to any State need be matched by the State: The sum of \$50,000,000 for the fiscal year ending June 30, 1938; the sum of \$50,000,000 for the fiscal year ending June 30, 1939.

With the following committee amendment:

Page 6, line 23, strike out the figure "8" and insert the figure "6."

The committee amendment was agreed to.

Mr. GREEN. Mr. Chairman, I move to strike out the last word. I understand the funds in the bill would allow about as much money for road purposes this year as was allowed last year.

Mr. CARTWRIGHT. Yes.

Mr. GREEN. The rural farm market roads provision is new in this bill.

Mr. CARTWRIGHT. In a way we have always got it under an emergency amendment. This is new inasmuch as

the rural farm market roads are now recognized in the regular bill.

Mr. GREEN. In passing this bill our plan is to go back to the old method of authorizing Federal road funds and do away with the emergency funds that we have been using.

Mr. WHITTINGTON. This is a continuation of the aid which we have been giving in the past.

Mr. GREEN. Except for the past 3 years we have used some emergency fund, and now you revert to our established method of appropriation and allocation. Will there be any change in the distribution?

Mr. CARTWRIGHT. No.

Mr. GREEN. Public funds spent for roads represents one of the very best investments made by the Government.

Mr. CARTWRIGHT. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

After section 6, page 7, line 19, insert a new section, as follows: "Sec. 7. Every contract for the construction or repair of any highway growing out of an appropriation of Federal funds made under this act, heretofore made or hereafter to be made, shall contain a provision that in the performance of the work the contractor, subcontractors, materialmen, or suppliers shall use only such unmanufactured articles, materials, and supplies as have been mined or produced in the United States, and only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States. The fact that articles, materials, or supplies have been produced or manufactured in this country from articles, materials, or supplies which have been imported into this country shall not make them eligible for use in the performance of any such contract. This section shall not apply to articles, materials, or supplies which are not mined, produced, or manufactured, as the case may be, in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality: *Provided, however,* That before the use of any such imported articles, materials, or supplies is authorized under any contract the head of the department or the independent establishment making a contract for such imported supplies shall give public notice that such an exemption is being contemplated, and after due opportunity has been given for domestic suppliers of such articles, materials, or supplies to be heard, a public record shall be made of the findings which justify such exception."

Mr. WHITTINGTON. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill nor to any section of the bill. The bill is formulated upon the theory that the Federal Government, as a Federal matter, is interested in national highway construction and in the maintenance of the system. The proposed amendment, I may say parenthetically, was offered by the distinguished chairman of the committee, considered by the committee, and rejected. The amendment is for the benefit of certain oil producers in the United States. It undertakes to deal with the question of materials and whether foreign or domestic shall be used. This bill has nothing to do with materials. The provisions of the bill are limited to the matter of Federal financing of highway construction. I make the point of order that the amendment is wholly foreign and not germane to the bill or any part of it.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. CARTWRIGHT. Mr. Chairman, I wanted to get that before the Committee of the Whole. If it is not in order, I ask for a ruling.

Mr. WOLCOTT. Mr. Chairman, I desire to be heard on the point of order.

The CHAIRMAN. The gentleman from Michigan is recognized.

Mr. WOLCOTT. Mr. Chairman, I believe the amendment is in order, inasmuch as this is a bill to amend the Federal act as approved July 11, 1916. In that act and acts amendatory thereto we provide that this allotment of funds may be made under certain conditions, under regulations promulgated by the Department of Agriculture, and this amendment merely writes into the law certain restrictions and certain regulations which the Secretary of Agriculture is now authorized under the general law to do at the present time. Surely, if we have the authority to give the Secretary of Agriculture power to regulate the disbursements, we have the authority to write into the act the conditions under which this money shall be distributed, and for that reason I think it is germane.

Mr. WHITTINGTON. Mr. Chairman, I may say in response that the pending legislation does not undertake in any manner to amend or to alter any part of previous highway legislation with respect to the power and authority of the Secretary of Agriculture or the Director of the Bureau of Roads, to promulgate any necessary regulations, and in this connection I remind the Chair that Congress a few years ago passed substantive legislation providing for the use, as far as Congress intended to go, of domestic materials in manufactures or Government expenditures. This amendment has no place in this bill, it is not germane to the bill, and it is not germane to any section of the original highway act brought forward and amended in the bill. It is in no sense a limitation, as it in nowise contemplates any reduction whatsoever in the authorization or the appropriation.

Mr. WOLCOTT. Mr. Chairman, this is merely a limitation. We have the authority to and do frequently limit the use to which appropriations are put, and in this particular are merely providing a limitation under which the money authorized under this act shall be expended.

Mr. O'MALLEY. Mr. Chairman, I believe this amendment is entirely germane, because the bill itself is an amendment to the Federal Highway Act of 1916, and that act specifies the terms and conditions under which Federal allotments shall be given to the States. The amendment of the gentleman from Oklahoma under consideration merely adds another term or condition to those allotments. I believe it is germane.

The CHAIRMAN. The Chair rules that the amendment is not germane to the bill, and, therefore, is out of order. The Clerk will read.

The Clerk read as follows:

SEC. 9. With the approval of the Secretary of Agriculture, not to exceed 1½ percent of the amount apportioned for any year to any State under sections 1, 7, and 8 of this act may be used for surveys, plans, engineering, and economic investigations of projects for future construction in such State, either on the Federal-aid highway system and extensions thereof or on secondary or feeder roads.

With the following committee amendment:

Page 7, line 20, strike out the figure "9" and insert "7", and in line 22, strike out the figures "1", "7", and "8" and insert in lieu thereof the figures "1", "5", and "6."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent to include in the extension of my remarks a table showing the number of grade-crossing eliminations which have been made under the \$200,000,000 under the Relief and Emergency Acts for railway and highway crossings.

Mr. CARTWRIGHT. Mr. Chairman, I have already inserted that in my remarks and it will not be necessary.

Mr. WHITTINGTON. Very well, I withdraw my request.

Mr. COLE of Maryland. Mr. Chairman, I move to strike out the last word for the purpose of asking a question. In section 1 (a) of this bill, as I understand, all Federal-aid money must be expended within 1 year from June 30; that is, the fiscal year for which it is appropriated, and I ask some member of the committee to answer that question.

Mr. WHITTINGTON. If I may be permitted, it does not have to be spent in the 1 year. Subparagraph (a) provides that the funds must be matched in 1 year from the expiration of the fiscal year. Congress appropriates funds for the current year. That year will expire June 30. The State of Maryland will have 1 year thereafter within which to match these funds.

Mr. COLE of Maryland. In the case of my own State, it is a matter of common knowledge that money available under the Federal Highway Act for the past year has not been expended as it should have been. Roads are not being built. Under this provision, as I interpret it, I am wondering if, because of the failure of the State Commission of Maryland, for instance, to use this money and expedite the road program which has been approved in Washington months ago, that money will revert to the Treasury and be reapportioned as the act provides, and the State of Maryland will lose money by it?

Mr. WHITTINGTON. The gentleman is correct. If the State of Maryland, or any other State, fails to comply and match the Federal aid, it reverts to the Treasury and is distributed among all the other States of the Union. That is a penalty. That provision has obtained in all Federal highway legislation. The limitation at one time was 2 years, but, in order to do just what the gentleman has in mind, Congress in recent years provided that the limitation should be 1 year instead of 2 years which previously obtained.

Mr. COLE of Maryland. I can say that if in every State of this Union there was the laxity in meeting the Federal program that there is in my own State at the present time, I have little doubt there would be some mandatory provision in this legislation to compel the more expeditious expenditure of the money. For instance, in Maryland, we have this situation today. Although Congress, almost 1 year ago, made available for the elimination of grade crossings, as an outright gift to the States, \$200,000,000, with a total allocation to Maryland of \$1,025,870, not one single dollar of that money is under contract today. Of the \$200,000,000 additional funds available for other road construction, \$1,296,000 is now available to Maryland, but not a single dollar of it is under contract.

In the case of the annual Federal-aid funds of \$125,000,000 per year, which law has been in effect for some time, and Maryland's proportionate share thereof being available in June 1935, which fund must be matched, and I understand has been matched and the money is now available in the State treasury, more than \$1,000,000 of that money is not under contract. This makes a total of \$3,945,000 available to the State of Maryland for grade-crossing elimination and other road-construction work of every kind for more than 1 year and not under contract today. This is totally inexcusable, in my judgment. It is easy for one to appreciate what the use of this money at the present time, or, in fact, for some time past, would have meant to unemployment and elimination of some of the disgraceful road conditions now existing in my State. I hope, in view of what the gentleman from Mississippi has said, he being a prominent member of the Roads Committee of the House, that the State Road Commission of Maryland will take to heart the inexcusable conditions now existing and realize that immediate action is demanded on their part to put into early operation every dollar now available for grade-crossing and highway-construction work in Maryland.

Mr. WHITTINGTON. There is a mandatory provision in the act. If any State diverts the gasoline funds to other purposes, that State forfeits one-third of its Federal-aid money.

Mr. COLE of Maryland. I mean in more definite terms than this bill provides.

The pro-forma amendment was withdrawn.

The CHAIRMAN. Under the rule the Committee will now rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SCRUGHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 11687, pursuant to House Resolution 484, he reported the same back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded upon any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

On motion by Mr. CARTWRIGHT, a motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS—H. R. 11687

THE DEVELOPMENT AND IMPROVEMENT OF FARM-TO-MARKET AND RURAL POST ROADS AND SCHOOL-BUS ROUTES SHOULD BE A MAJOR PART OF PRESENT AND FUTURE STATE AND FEDERAL HIGHWAY PROGRAMS

Mr. BUCKLER of Minnesota. Mr. Speaker, without minimizing the importance of continuing the primary or trunk highway program it can be said with all truth that the phase of highway improvement that is attracting greatest interest today is that of farm-to-market road development.

This country needs more farm-to-market and better school-bus and rural post roads. The passage of H. R. 11681, known as the Cartwright roads measure, will be a great step in the right direction and a great advance for better rural and country roads.

The highest authority that I can give as an indication that this subject is commanding the attention of America's foremost highway officials is to quote from an address delivered by Mr. A. W. Brandt, commissioner of highways of New York and immediate past president of the American Association of State Highway Officials, when he spoke at the last annual convention of the association at Miami, Fla., in December. Mr. Brandt said, in part:

Most of the States in the past have had a large majority of the motor-vehicle and gas-tax revenues for use on their State highway systems. The demand in many States is becoming more and more insistent that a certain definite percentage of these funds be allocated to the towns and counties for farm-to-market roads and to the cities not only for main arterial streets but for residential streets as well.

What should the attitude of the highway administrator be toward such proposals? Should he oppose them? I think not. He will only be butting his head against the proverbial stone wall. Rather than fight such proposals, we should take the lead in preparing the necessary legislation whereby the highway departments of the country, comprised, as they are, of the best-informed engineers and economists, will either construct farm-to-market roads and city streets or see to it that the money is spent in an efficient and economical manner. We are and should be leaders in not only highway construction but in highway economics and highway thought. City streets and farm-to-market roads are just as much arteries of transportation as are State highways, and the highway engineer should be as much interested in their proper and economical development and construction as he is in main State trunk lines. My advice to every highway administrator, therefore, is not to fight the inevitable, but to carefully work out the proper type of legislation for his particular State and work it out in such a way that he will have a great deal to do with its administration.

Naturally farmers are strongly in favor of improvement of the roads that connect them with their markets. County officials, for many years, have carried the burden of trying to improve farm roads, but their efforts have not been organized, and the results have been insufficient from a national standpoint. However, the demand for improvement of these roads has been so insistent that today we have the highest authorities in the highway world taking recognition of the fact that farm-to-market roads must be improved, as is evidenced by the above excerpt quoted from Mr. Brandt's recent address.

For purposes of getting the proper perspective of the task that lies ahead of those who are conducting the fight for improvement of farm-to-market roads, let us look at highway figures that bear directly upon this subject:

Rural highways in America—that is, highways outside of municipalities—total 3,065,000 miles. Of this total, approximately 423,000 miles are on the Federal and State systems.

Of the remaining approximately 2,646,000 miles of highways, 464,000 miles have been improved to some extent.

This leaves 2,000,000 miles of what are properly called "mud roads"—roads that are passable under favorable weather conditions, but which are virtually impassable for a considerable portion of each year.

More than 4,000,000 farms are located on these unimproved roads, which provide the only means of communication, and transportation of crops from farm to market.

It is readily apparent from these figures that most American farms still are on mud roads. Keep in mind that this tremendous road mileage has never received any improvement other than that provided through primitive methods, such as hand shovels, hand scrapes, and such drainage as is provided by these and machinery of the type that is used in

farm work. It is an alarming thing to consider that the marvelous, efficient highway machinery that is so well known on America's trunk highway system is almost entirely unknown to more than 2,000,000 miles of roads in this country.

Figures obtained by me from the National Rural Letter Carriers' Association and the American Road Builders' Association disclose that 43,000 mail carriers each weekday use 1,250,000 miles of roads for the delivery of mail to 30,000,000 rural population; that the average route traveled by these carriers is 37.9 miles, of which the average mileage of hard surface is 7.5; that the average mileage of improved roads is 12; and the average mileage of mud roads is 18.4 miles.

In other words, America's rural mail carriers, like America's farmers, are more in the mud than out, from the standpoint of roads.

Reports made by these carriers list mud as the greatest single obstacle to travel, with the allied obstacles of snow, rutted roads, and bad drainage.

It is a fact that farmers and rural mail carriers today are paying the greatest penalty for delay in improving farm-to-market roads. This penalty, of course, is extended to rural school children. The drivers of 60,000 school busses that carry 2,000,000 pupils to rural schools could tell an amazing story of the handicaps suffered by those who must traverse mud roads to these schools—a report that would be confirmed by rural school teachers throughout America. A mere recitation of these discouraging statistics will get us nowhere unless it permits us to do our utmost to get the farmer and his family out of the mud. The question is, How can we do it with greatest speed and greatest efficiency?

Fortunately, in approaching this great task we are not without guidance. The United States Bureau of Public Roads and its allied organizations, the various State highway departments, and so forth, are conducting surveys that ought to make it easy to obtain a quick start in improving these roads when appropriate financial provision has been made. Also, the Works Progress Administration is in a position to supply information of great value in drafting a permanent program for farm-to-market roads.

Without going into the merits or demerits of the Works Progress Administration's operations in general, I am certain that all informed Americans can agree that the W. P. A. has performed a worthy task within recent months in connection with this farm-to-market road program. Thousands of miles of rural roads that heretofore never have received any organized improvement have been benefited through work carried on by the Works Progress Administration in every State. Thousands of farmers thus have received a taste of what improved roads mean, and it is a certainty that these farmers, along with thousands who have not yet received any such benefits, will never be content to be left out of consideration as highway programs are drafted.

The exact procedure under which farm-to-market road development can be financed is something that must be determined by highway officials and legislators, State and national. Opinion on this subject appears to be divided principally into two schools of thought. One is that the present set-up of Federal and State highway organizations should be permitted to extend operations to farm-to-market roads on a basis of gradual expansion. The other is that this work can be expedited most satisfactorily by extending Federal aid to counties and permitting county officials to conduct their own highway programs, subject, of course, to supervision by Federal highway officials. I shall not attempt to express an opinion relative to the merits of these proposals at present, but I do think it timely to say to State highway officials that unless they expand their programs more speedily than has developed to date, the demand for farm-to-market road improvement will move swiftly in another direction and undoubtedly counties will make progress in obtaining Federal highway aid. If this appears to be a rash statement, then let me ask that you take another look at the quotation from Mr. Brandt's speech, and you will see that he said virtually as much.

Getting away from the controversial phases of farm-to-market road development, I now want to emphasize some of

the reasons why rural-road improvement must not and will not be delayed longer than is necessary to provide the proper financial support.

Social welfare of the rural communities has always been hindered by lack of transportation and communication.

Relatively small amounts of money, properly spent on farm-to-market roads, will provide means of communication for communities that, due to lack of roads up to this time, have been impeded in their natural, social, and communal development.

Farm-to-market road systems coordinate with and extend the State and Federal systems, thus completing a highway transportation system which provides a means of bettering the social and commercial life of the rural sections.

The farm-to-market roads furnish facilities not heretofore provided for the development of educational advantages, as has been demonstrated in the few localities that enjoy these roads at the present time.

Improved farm-to-market roads mean improved rural mail service. Where there has been an improvement in the roads there has always followed a corresponding improvement in mail service, which has resulted in quicker mail delivery and a more economic operation, both for the mail carrier and the United States Government, under all weather conditions.

There are approximately 5,000,000 motor vehicles owned by farmers who are not now enjoying the advantages of improved roads, and who are compelled to endure the handicap of marketing crops when the weather permits, regardless of price range or glutted markets.

The poor condition of the farm-to-market roads further penalizes the farmer by compelling him to endure additional operating expense for his vehicle.

Prosperity follows improved roads, as is evidenced by the fact that there are fewer automobiles owned by the farmers on dirt roads than by those on improved roads.

The farmers on improved roads are able to haul full loads on twice as many days during the year as those who reside on the unimproved roads.

The improvement of rural roads will increase the value of farm lands. It will raise community standards and remove the isolation in the agricultural areas.

Improved rural roads will make possible fire protection and medical attention in rural areas.

Money used in highway construction is an investment, and returns higher dividends than any other form of public construction.

The farmers in my congressional district—the Ninth—which consists of 15 counties in northwestern Minnesota, want better farm-to-market, rural post, and bus-route roads. As their Representative in the National Congress, I am glad to support and vote for this Cartwright-Hayden bill, which provides for increased additional rural roads in Minnesota and the Nation.

FEDERAL DEPOSIT INSURANCE CORPORATION

Mr. FORD of California. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on House Resolution 485.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FORD of California. Mr. Speaker, I am going to vote for House Resolution 485 because I believe that the F. D. I. C. is one of the greatest pieces of banking legislation that this House has passed and that the clause which we are extending for 2 years has added to its effectiveness. I want to make this observation: Every argument that is made here advocating the extension of this provision of the law is valid in support of the proposition for making that provision permanent.

The thing that troubles me most is that the expiration date arrives at a time when Congress is not in session. That, I am convinced, is unwise and dangerous.

Suppose, for argument's sake, that a crop failure occurred in some region or section dependent, let us say, on wheat, or cotton, or corn.

Farmers in debt to banks find themselves unable to meet their notes. The banks are forced to call the notes. Failure

to collect would bring about a crisis. The provision authorizing the F. D. I. C. to meet this situation having expired, these banks would be permitted to fail, with tremendous loss to the stockholders—unnecessary loss at that—and some loss to depositors whose accounts were in excess of \$5,000.

The contingency that this provision was designed to meet may arise any time. I am merely making this statement to keep the record clear.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1937—CONFERENCE REPORT

Mr. TAYLOR of Colorado, from the Committee on Appropriations, submitted a conference report on the bill (H. R. 10630, Rept. No. 1927) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes.

EXTENSION OF REMARKS

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Speaker, today is really a historic day in the Department of the Interior. The President of the United States, Cabinet officials, and many other distinguished officials and representatives of a large number of foreign governments and many thousands of citizens were present at the dedication of the wonderful new Interior Department Building. Upon that occasion the President of the United States and the Secretary of the Interior delivered most eloquent, patriotic, and inspiring addresses. I feel that those addresses are historic documents. With the express permission of both the President and the Secretary of the Interior, I ask unanimous consent to extend my remarks by inserting in the Record those two addresses.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, those speeches have already been inserted in the Record. The gentleman from Texas [Mr. MAVERICK] inserted them.

Mr. TAYLOR of Colorado. Very well; if they have already been inserted in the Record, I, of course, do not want to insert them again.

INSPECTION OF STEAMBOATS AT MILWAUKEE, WIS.

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'MALLEY. Mr. Speaker, in going over the daily paper from my city I came across an item today that greatly aroused my interest. This item was headed:

Boats delayed at port of Milwaukee because not enough inspectors were available in the Steamboat Inspection Service to inspect all boats that will put out in the next few days as the result of the breaking up of the ice.

My first impulse was to "cuss out" the Department of Commerce because they were tying up in the port of Milwaukee nearly 50 vessels and thereby endangering the investment of the owners of those vessels, endangering the jobs and wages as well as lives of scores of seamen and other persons who work on those vessels when they cruise the Great Lakes.

We have heard a great deal about the Steamboat Inspection Service, particularly because of the disasters to the *Morro Castle* and the *Mohawk*. I represent a city that I say is one of the greatest ports on the Great Lakes; and when we get the St. Lawrence waterway it will probably be one of the greatest ports in the world. Incidentally, we are going to get the St. Lawrence waterway under a Democratic administration, since our great President will, I am sure, submit the question to the Senate again.

The newspaper article on the Steamboat Inspection Service at Milwaukee says this:

The situation, as explained by Abraham Auld, inspector of boilers, and Capt. Henry Erichsen, inspector of hulls, is this:

Thirty-seven freighters, mostly coal carriers, are prepared to leave port as soon as the ice breaks up, which will be within a week or 10 days. Another 15, general merchandise haulers, are also set for

sailing. But until the Government inspection is completed they must remain in port.

"And with our present inadequate force the inspections cannot be completed for at least another month", Capt. Erichsen said.

The Bureau force now consists of Auld, Erichsen, two assistant inspectors of hulls, an assistant inspector of boilers, and a temporary assistant. They can complete two inspections every 3 days.

This means it will take the present force nearly a month to complete the inspections of ships now ready to leave our port for various ports on the Great Lakes. The representative of the Steamboat Inspection Service goes on to say that the Department needs at least four assistants in each division.

We do not want any *Morro Castle* or *Mohawk* disaster on the Great Lakes, but it is perfectly conceivable that if this small force of inspectors have to rush the work—and there are thousands of dollars of tonnage tied up by any delay—that the work is not going to be well done; and it is also conceivable that some of these boats may put on the Lakes without proper inspection. I hope this will not occur and that no disastrous accidents will be charged up against our Great Lakes safety record.

In going over the Department of Commerce appropriation bill I find that the head of the Steamboat Inspection Service brought to the attention of the Appropriations Committee the total inadequacy of his force.

The Appropriations Committee raised the amount for traveling inspectors by some \$22,000. This will provide for only eight more inspectors over the entire country. Right in Milwaukee, only one of the Great Lakes ports, we need four inspectors to get these ships out on the Lakes at a time when profits can be made from operating them. I hope the other body, in considering the Department of Commerce appropriation bill, will take into consideration the plea of the Steamboat Inspection Service for adequate personnel as provided in the House bill. It is costing my district and other Great Lakes ports thousands of dollars because boats are delayed awaiting inspection. To cut down the appropriation is to be penny-wise and pound-foolish; it is to charge the Department of Commerce with inspecting these boats and then not give them sufficient personnel to make the inspection.

Mrs. KAHN. Mr. Speaker, will the gentleman yield?

Mr. O'MALLEY. I yield.

Mrs. KAHN. Had the gentleman been present during the discussion of the appropriation bill for the Department of Commerce and listened to the very illuminating speech made by the gentleman from New York [Mr. Bacon] on this very subject and then noticed the item in the appropriation bill for the fiscal year beginning July 1, 1936, I think he would have found that a very substantial increase was made to take care of additional personnel in this Service.

Mr. O'MALLEY. I may say to the gentlewoman from California that all I can read is the completed bill and the committee report, in which I find \$22,000 of increased appropriation. This is the amount for additional traveling inspectors. I am hoping they will travel to Milwaukee and get these boats out on the Lakes in time for the early shipping business of the season.

[Here the gavel fell.]

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mrs. KAHN. If the gentleman will yield further, he will find in the additional report that several new inspectors were provided for.

Mr. O'MALLEY. How many more?

Mrs. KAHN. I do not remember the exact number, but I will try to get it for the gentleman.

Mr. O'MALLEY. I hope they will travel to my city and get our boats out of port so the owners and seamen can make some money this year. The new inspectors will not be available this year in any event, but a deficiency bill item would help solve our problem.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. O'MALLEY. Yes.

Mr. MARCANTONIO. I simply want to observe that on Tuesday two bus loads of seamen who have received medals for heroic service at sea will call on the Secretary of Commerce to give him some first-hand information on the so-called safety at sea about which we hear so much.

Mr. O'MALLEY. I know there are operating on our Great Lakes today some boats that are not fit for operation. I know further that it is impossible for the owners and the seamen of the seaworthy boats to get employment unless they can get the boats inspected and out of the port of Milwaukee.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield?

Mr. O'MALLEY. I yield.

Mr. BANKHEAD. Is not the gentleman's difficulty, and that of his constituents, due to an unusual situation arising from the fact of the exceptionally severe weather conditions that have prevailed, the ice-locked condition of the Lakes?

Mr. O'MALLEY. The situation in the port of Milwaukee is the same as it is in all ports of the Great Lakes; inspections must be made just as soon as there is knowledge when the Lakes are going to be open for transportation, and they know fairly accurately for a month in advance when the ice will go out.

The Weather Bureau is pretty good at predicting the day.

Mr. BANKHEAD. Has the gentleman taken this matter up with the Department of Commerce?

Mr. O'MALLEY. I have addressed the Department a letter about the matter, seeking the temporary services of additional inspectors for the coming weeks, and I hope the Department will take some recognition of the matter and send traveling inspectors in there. Ours is a seasonal port, and it would seem logical that extra help could be assigned for the opening of each shipping season.

RELIEF OF UNEMPLOYMENT

Mr. SCRUGHAM. Mr. Speaker, I ask unanimous consent that the bill (H. R. 12245) to amend the act entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes", approved March 31, 1933, be rereferred from the Committee on Labor to the Committee on Mines and Mining. This action has the approval of the chairman of both committees.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, has the chairman of the Labor Committee been consulted?

Mr. SCRUGHAM. Yes. It was at his suggestion that I make this request.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. KAHN. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. KAHN. Mr. Speaker, I should like to state to the gentleman from Wisconsin [Mr. O'MALLEY] that in order to be perfectly sure I just went over to the Appropriation Committee room and I find that \$167,000 has been added to the appropriation in this bill and earmarked, which will give between 40 and 50 additional inspectors and assistant inspectors.

Mr. O'MALLEY. Does the gentlewoman know whether those additional inspectors will be made available right now?

Mrs. KAHN. This applies to the beginning of the next fiscal year.

Mr. O'MALLEY. I know, but it will not have any effect on this year's business.

Mrs. KAHN. Retroactive legislation cannot be had in an appropriation bill.

Mr. O'MALLEY. But perhaps additional help could be taken care of in the next deficiency bill to provide for extra help used this year.

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SHANLEY, for 1 day, on account of important business.

To Mr. SEGER (at the request of Mr. CAVICCHIA), indefinitely, on account of the death of his wife.

To Mr. FARLEY, for 5 days, on account of important business.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6544. An act to conserve the water resources and to encourage reforestation of the watersheds of Santa Barbara County, Calif., by the withdrawal of certain public lands included within the Santa Barbara National Forest, Calif., from location and entry under the mining laws;

H. R. 9997. An act granting a leave of absence to settlers of homestead lands during the year 1936; and

H. R. 11327. An act to exempt from taxation receipts from the operation of Olympic Games if donated to the State of California, the city of Los Angeles, and the county of Los Angeles.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 3806. An act to establish a commercial airport for the District of Columbia;

H. R. 6544. An act to conserve the water resources and to encourage reforestation of the watersheds of Santa Barbara County, Calif., by the withdrawal of certain public lands included within the Santa Barbara National Forest, Calif., from location and entry under the mining laws;

H. R. 9997. An act granting a leave of absence to settlers of homestead lands during the year 1936;

H. R. 11327. An act to exempt from taxation receipts from the operation of Olympic Games if donated to the State of California, the city of Los Angeles, and the county of Los Angeles;

H. R. 11691. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes;

H. R. 11968. An act relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes;

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock p. m.) the House adjourned until tomorrow, Friday, April 17, 1936, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

782. A communication from the President of the United States, transmitting for the consideration of Congress supplemental estimates of appropriations for the fiscal year 1936 in the sum of \$60,000, and draft of a proposed provision pertaining to an existing appropriation, for the Department of State (H. Doc. No. 452); to the Committee on Appropriations and ordered to be printed.

783. A letter from the Secretary of Commerce, transmitting, pursuant to the provisions of the act of Congress entitled "An act to authorize and provide for the disposition of

useless papers in the executive departments", approved February 16, 1889, amended March 2, 1895, and June 19, 1934, a list of documents and files of papers which are not needed nor useful in the transaction of the current business of the Department of Commerce; to the Committee on Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COCHRAN: Committee on Coinage, Weights, and Measures. H. R. 11688. A bill providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union; with amendment (Rept. No. 2418). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 12212. A bill to quiet title and possession with respect to certain lands in Tuscomb, Ala.; without amendment (Rept. No. 2419). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. House Joint Resolution 465. Joint resolution to amend the joint resolution of July 18, 1935, relating to the Seventieth National Encampment of the Grand Army of the Republic, to be held in the District of Columbia in September 1936; with amendment (Rept. No. 2420). Referred to the Committee of the Whole House on the state of the Union.

Mr. CARPENTER: Committee on the District of Columbia. S. 3161. An act to amend section 13 (c) of the act entitled "An act to provide for the regulation of motor-vehicle traffic in the District of Columbia, etc", approved March 3, 1925, as amended; without amendment (Rept. No. 2421). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Coinage, Weights, and Measures. S. 4229. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the incorporation of Bridgeport, Conn., as a city; with amendment (Rept. No. 2422). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Coinage, Weights, and Measures. Senate Joint Resolution 231. Joint resolution to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the landing of the Swedes in Delaware; with amendment (Rept. No. 2423). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Coinage, Weights, and Measures. S. 4335. An act to authorize the coinage of 50-cent pieces in commemoration of the centennial celebration of Cleveland, Ohio, to be known as the Great Lakes Exposition; with amendment (Rept. No. 2424). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 11371. A bill to authorize the coinage of 50-cent pieces in commemoration of the fiftieth anniversary of the founding of the borough of Wilkesburg, Pa.; with amendment (Rept. No. 2425). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 11533. A bill to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg; with amendment (Rept. No. 2426). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 11555. A bill to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and the founding of the Wailatpu Mission; with amendment (Rept. No. 2427). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 12168. A bill to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Antietam; with amendment (Rept. No. 2428). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. S. 3842. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the establishment of the Territorial government of Wisconsin, and to assist in the celebration of the Wisconsin Centennial during the year of 1936; with amendment (Rept. No. 2429). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. TOLAN: Committee on Claims. H. R. 12322. A bill for the relief of sundry claimants, and for other purposes; with amendment (Rept. No. 2416). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 12323. A bill for the relief of sundry claimants, and for other purposes; with amendment (Rept. No. 2417). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCK: A bill (H. R. 12324) to amend section 723 (a) of the Revenue Act of 1932, as amended; to the Committee on Ways and Means.

By Mr. DICKSTEIN: A bill (H. R. 12325) to protect, for American actors, vocal musicians, operatic singers, and orchestral conductors, the artistic and earning opportunities in the United States, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. McSWAIN (by request): A bill (H. R. 12326) for the relief of certain officers on the retired list of the Army, who have been commended for their performance of duty in actual combat with the enemy during the World War; to the Committee on Military Affairs.

By Mr. BACON: A bill (H. R. 12327) to amend the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. BURNHAM: A bill (H. R. 12328) to authorize the acceptance of certain lands in the city of San Diego, Calif., by the United States, and the transfer by the Secretary of the Navy of certain other lands to said city of San Diego; to the Committee on Naval Affairs.

By Mr. DUFFY of New York: A bill (H. R. 12329) to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges; to the Committee on the Judiciary.

By Mr. TONRY: A bill (H. R. 12330) relating to personal-injury suits by seamen; to the Committee on the Judiciary.

By Mr. BLAND: A bill (H. R. 12331) to amend certain of the navigation laws of the United States, to remove inconsistencies and inequalities therein, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LEWIS of Maryland: A bill (H. R. 12332) to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Antietam; to the Committee on Coinage, Weights, and Measures.

By Mr. McLEOD: A bill (H. R. 12333) to protect witnesses called by committees of the House and Senate to testify and furnish information concerning matters before such committees; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of South Carolina, expressing faith and confidence in the Honorable J. J. McSWAIN, Congressman from the Fourth Congressional District; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KENNEDY of Maryland: A bill (H. R. 12322) for the relief of sundry claimants, and for other purposes; to the Committee on Claims.

Also, a bill (H. R. 12323) for the relief of sundry claimants, and for other purposes; to the Committee on Claims.

By Mr. BACHARACH: A bill (H. R. 12334) granting a pension to Mary A. M. Lafferty; to the Committee on Pensions.

Also, a bill (H. R. 12335) granting an increase of pension to Jennie Wood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12336) granting an increase of pension to Mary J. Goodwin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12337) granting an increase of pension to Rachel P. Thomas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12338) granting an increase of pension to Amanda L. Dare; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12339) granting an increase of pension to Cora C. Cheever; to the Committee on Pensions.

Also, a bill (H. R. 12340) granting an increase of pension to Eliza Adams; to the Committee on Invalid Pensions.

By Mr. COLMER: A bill (H. R. 12341) for the relief of F. W. Elmer; to the Committee on Claims.

By Mr. GREENWOOD: A bill (H. R. 12342) granting an increase of pension to Elizabeth M. Cox; to the Committee on Invalid Pensions.

By Mr. McCORMACK: A bill (H. R. 12343) for the relief of certain property owners within the Old Harbor Village area of Boston, Mass.; to the Committee on Claims.

By Mr. McMILLAN: A bill (H. R. 12344) for the relief of Benjamin Hume Simons; to the Committee on Military Affairs.

By Mr. McSWAIN: A bill (H. R. 12345) for the relief of J. Roy Workman; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 12346) for the relief of Leah Levine; to the Committee on Claims.

Also, a bill (H. R. 12347) for the relief of William Allen; to the Committee on Military Affairs.

Also, a bill (H. R. 12348) granting a pension to Carl D. Waters; to the Committee on Pensions.

Also, a bill (H. R. 12349) granting a pension to Lena M. Burnett; to the Committee on Pensions.

By Mr. TINKHAM: A bill (H. R. 12350) for the relief of John Lopez; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerks' desk and referred as follows:

10735. By Mr. BEITER: Petition of L. T. Fox, president of the Bison City Lodge, No. 922, Brotherhood of Railway and Steamship Clerks, urging the enactment of the Wheeler-Crosser bill (S. 4174 and H. R. 11609); to the Committee on Interstate and Foreign Commerce.

10736. Also, petition of T. R. Gibbons, legislative representative of the Bison City Lodge, No. 922, Brotherhood of Railway and Steamship Clerks, urging the enactment of the Wheeler-Crosser bill (S. 4174 and H. R. 11609); to the Committee on Interstate and Foreign Commerce.

10737. By Mr. CULLEN: Resolution adopted by the New York City Housing Authority, endorsing the Wagner-Ellenbogen housing bill, which will help to improve housing conditions; to the Committee on Appropriations.

10738. By Mr. FITZPATRICK: Petition of the New York City Housing Authority, supporting the Wagner-Ellenbogen bill for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity; to the Committee on Appropriations.

10739. By Mr. FULMER: Resolution of the House of Representatives, South Carolina Legislature, heartily endorsing the action of Senator REYNOLDS and Congressman STARNES in proposing legislation to the effect that aliens convicted of crime in the United States, aliens belonging to any organization having as its object the destruction of the American

Government, and aliens afflicted with certain diseases be deported and returned to the country from which they came; to the Committee on Immigration and Naturalization.

SENATE

FRIDAY, APRIL 17, 1936

(Legislative day of Monday, Feb. 24, 1936)

IMPEACHMENT OF HALSTED L. RITTER

The Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida, met at 12 o'clock meridian.

The PRESIDENT pro tempore. The Sergeant at Arms will make proclamation.

The Sergeant at Arms made the usual proclamation.

The respondent, Halsted L. Ritter, with his counsel, Frank P. Walsh, Esq., and Carl T. Hoffman, Esq., appeared in the seats provided for them.

On request of Mr. ASHURST, and by unanimous consent, the reading of the Journal of the Senate, sitting for the trial of the articles of impeachment, for Thursday, April 16, 1936, was dispensed with, and the Journal was approved.

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Holt	Overton
Ashurst	Coolidge	Johnson	Pittman
Austin	Copeland	Keyes	Radcliffe
Bachman	Couzens	King	Reynolds
Bailey	Davis	La Follette	Robinson
Barbour	Dickinson	Loneragan	Russell
Benson	Dieterich	Long	Schwellenbach
Bilbo	Donahay	McAdoo	Sheppard
Black	Duffy	McGill	Shipstead
Bone	Fletcher	McKellar	Smith
Borah	Frazier	McNary	Steiger
Brown	George	Maloney	Thomas, Okla.
Bulkley	Gerry	Metcalf	Thomas, Utah
Bulow	Gibson	Minton	Townsend
Burke	Glass	Moore	Truman
Byrd	Guffey	Murphy	Vandenberg
Capper	Hale	Murray	Van Nuys
Caraway	Harrison	Neely	Wagner
Carey	Hastings	Norris	Walsh
Chavez	Hatch	Nye	Wheeler
Clark	Hayden	O'Mahoney	White

Mr. ROBINSON. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], the Senator from Nevada [Mr. McCARRAN], and the Senator from Florida [Mr. TRAMMELL] are detained from the Senate because of illness.

I further announce that the Senator from Oklahoma [Mr. GORE], the senior Senator from Kentucky [Mr. BARKLEY], the junior Senator from Kentucky [Mr. LOGAN], the Senator from South Carolina [Mr. BYRNES], and the Senator from Idaho [Mr. POPE] are unavoidably absent.

The Senator from Colorado [Mr. COSTIGAN] and the Senator from Maryland [Mr. TYDINGS] have been excused from voting on the impeachment articles, having personally in the Senate made the request to be excused and assigned reasons therefor.

I have been asked to announce also that pairs are not recognized in this proceeding.

Mr. DIETERICH. I announce that my colleague the senior Senator from Illinois [Mr. LEWIS] is detained on important public business.

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, a quorum is present.

Mr. ASHURST. I ask that the Secretary read the order entered yesterday by the Senate.

The PRESIDENT pro tempore. Without objection, the clerk will read.

The legislative clerk read as follows:

Ordered, That upon the final vote in the pending impeachment of Halsted L. Ritter, the Secretary shall read the articles of impeachment separately and successively, and when the reading of each article shall have been concluded the Presiding Officer shall state the questions thereon as follows:

"Senators, how say you? Is the respondent, Halsted L. Ritter, guilty or not guilty?"

Thereupon the roll of the Senate shall be called, and each Senator as his name is called, unless excused, shall arise in his place and answer "guilty" or "not guilty."

The PRESIDENT pro tempore. The Secretary will read the first article of impeachment.

The legislative clerk read article I, as follows:

ARTICLE I

That the said Halsted L. Ritter, having been nominated by the President of the United States, confirmed by the Senate of the United States, duly qualified and commissioned, and while acting as a United States district judge for the southern district of Florida, was and is guilty of misbehavior and of a high crime and misdemeanor in office in manner and form as follows, to wit: On or about October 11, 1929, A. L. Rankin (who had been a law partner of said judge immediately before said judge's appointment as judge), as solicitor for the plaintiff, filed in the court of the said Judge Ritter a certain foreclosure suit and receivership proceeding, the same being styled, "Bert E. Holland et al. v. Whitehall Building & Operating Co. et al." (No. 678-M-Eq.). On or about May 15, 1930, the said Judge Ritter allowed the said Rankin an advance of \$2,500 on his fee for his services in said case. On or about July 2, 1930, the said Judge Ritter by letter requested another judge of the United States District Court for the Southern District of Florida, to wit, Hon. Alexander Akerman, to fix and determine the total allowance for the said Rankin for his services in said case for the reason as stated by Judge Ritter in said letter, that the said Rankin had formerly been the law partner of the said Judge Ritter, and he did not feel that he should pass upon the total allowance made said Rankin in that case and that if Judge Akerman would fix the allowance it would relieve the writer, Judge Ritter, from any embarrassment if thereafter any question should arise as to his, Judge Ritter's, favoring said Rankin with an exorbitant fee.

Thereafterward, notwithstanding the said Judge Akerman, in compliance with Judge Ritter's request, allowed the said Rankin a fee of \$15,000 for his services in said case, from which sum the said \$2,500 theretofore allowed the said Rankin by Judge Ritter as an advance on his fee was deducted, the said Judge Ritter, well knowing that at his request compensation had been fixed by Judge Akerman for the said Rankin's services in said case, and notwithstanding the restraint of propriety expressed in his said letter to Judge Akerman, and ignoring the danger of embarrassment mentioned in said letter, did fix an additional and exorbitant fee for the said Rankin in said case. On or about December 24, 1930, when the final decree in said case was signed, the said Judge Ritter allowed the said Rankin, additional to the total allowance of \$15,000 theretofore allowed by Judge Akerman, a fee of \$75,000 for his services in said case, out of which allowance the said Judge Ritter directly profited. On the same day, December 24, 1930, the receiver in said case paid the said Rankin, as part of his said additional fee, the sum of \$25,000, and the said Rankin on the same day privately paid and delivered to the said Judge Ritter the sum of \$2,500 in cash; \$2,000 of said \$2,500 was deposited in bank by Judge Ritter on, to wit, December 29, 1930, the remaining \$500 being kept by Judge Ritter and not deposited in bank until, to wit, July 10, 1931. Between the time of such initial payment on said additional fee and April 6, 1931, the said receiver paid said Rankin thereon \$5,000. On or about April 6, 1931, the said Rankin received the balance of the said additional fee allowed him by Judge Ritter, said balance amounting to \$45,000. Shortly thereafter, on or about April 14, 1931, the said Rankin paid and delivered to the said Judge Ritter, privately, in cash, an additional sum of \$2,000. The said Judge Halsted L. Ritter corruptly and unlawfully accepted and received for his own use and benefit from the said A. L. Rankin the aforesaid sums of money, amounting to \$4,500.

Wherefore, the said Judge Halsted L. Ritter was and is guilty of misbehavior and was and is guilty of a high crime and misdemeanor.

The PRESIDENT pro tempore. Senators, how say you? Is the respondent, Halsted L. Ritter, guilty or not guilty? The clerk will call the roll.

The Chief Clerk called the roll, which resulted as follows:

GUILTY—55

Adams	Chavez	Hatch	O'Mahoney
Ashurst	Clark	Hayden	Radcliffe
Bachman	Connally	Holt	Reynolds
Bailey	Coolidge	La Follette	Robinson
Bilbo	Couzens	Loneragan	Russell
Black	Dieterich	McAdoo	Schwellenbach
Bone	Donahay	McGill	Sheppard
Borah	Duffy	McKellar	Shipstead
Brown	Fletcher	McNary	Thomas, Utah
Bulkley	Frazier	Maloney	Truman
Bulow	George	Murphy	Wagner
Byrd	Glass	Murray	Walsh
Capper	Guffey	Neely	Wheeler
Caraway	Harrison	Norris	

NOT GUILTY—29

Austin	Carey	Gerry	Johnson
Barbour	Copeland	Gibson	Keyes
Benson	Davis	Hale	King
Burke	Dickinson	Hastings	Long